

110th Congress }
1st Session }

HOUSE OF REPRESENTATIVES
Rules Committee

{Report
{No. _____

Providing for consideration of the bill (H.R. 2419) to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

July 26, 2007 (Legislative Day of July 25, 2007). --Referred to the House Calendar and ordered to be printed

Mr. Cardoza, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. _____]

The Committee on Rules, having had under consideration House Resolution _____, by a vote of 9-4, report the same to the House with the recommendation that the resolution be adopted.

SUMMARY OF PROVISIONS OF THE RESOLUTION

The resolution provides for consideration of H.R. 2419, the Farm, Nutrition, and Bioenergy Act of 2007, under a structured rule. The rule provides one hour of general debate equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture. The rule waives all points of order against consideration of the bill except clauses 9 and 10 of Rule XXI. The rule provides that the amendment in the nature of a substitute recommended by the Committee on Agriculture now printed in the bill, modified by the amendments printed in Part A of the Rules Committee report, shall be considered as adopted in the House and in the Committee of the Whole. The bill as amended shall be considered as an original bill for the purpose of amendment and shall be considered as read. All points of order against provisions in the bill, as amended, are waived.

The rule makes in order only those further amendments printed in part B of this report and amendments en bloc described in section 3 of the resolution. The amendments made in order may be offered only in the order printed in this report, may be offered only by a Member designated in this report, shall be considered as read, shall be debatable for the time specified in this report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for a division of the question in the House or in the Committee of the Whole. Section 3 of the rule allows the Chairman of the Committee on Agriculture to offer amendments en bloc consisting of amendments printed in part B of this report not earlier disposed of or to offer germane modifications to such. All points of order against the amendments except for clauses 9 and 10 of Rule XXI are waived. The rule provides one motion to recommit with or without instructions. Finally, the rule provides that the Chair may postpone further consideration of the bill to a time designated by the Speaker.

EXPLANATION OF WAIVERS

The waiver of all points of order against consideration of the bill (except for clauses 9 and 10 of Rule XXI) includes the following: a waiver of Rule XIII, clause 4(a), requiring a three-day layover of the committee report; a waiver of Rule XIII, clause 3(e), requiring the inclusion of a comparative print of any part of the bill or joint resolution proposing to amend the statute and of the statute or part thereof proposed to be amended; a waiver of section 306 of the Congressional Budget Act prohibiting consideration of legislation within the jurisdiction of the Committee on the Budget unless reported by the Budget Committee; and a waiver of section 401 of the Congressional Budget Act prohibiting consideration of legislation providing new entitlement authority which becomes effective during the current fiscal year.

The waiver against provisions in the bill, as amended, includes the following: a waiver of Rule XXI, clause 4 prohibiting appropriations in legislative bills; and a waiver of clause 5(a) of Rule XXI prohibiting tax or tariff provisions in a bill not reported by a committee with jurisdiction over revenue measures.

COMMITTEE VOTES

The results of each record vote on an amendment or motion to report, together with the names of those voting for and against, are printed below:

Rules Committee Record Vote No. 249

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: Mr. Dreier

Summary of Motion: To grant a modified open rule with a pre-printing requirement.

Results: Defeated 4-9

Vote by Member:

MCGOVERN	NAY
HASTINGS (FL)	NAY
MATSUI	NAY
CARDOZA	NAY
WELCH	NAY
CASTOR	NAY
ARCURI	NAY
SUTTON	NAY
DREIER	YEA
DIAZ-BALART	YEA
HASTINGS (WA)	YEA
SESSIONS	YEA
SLAUGHTER	NAY

Rules Committee Record Vote No. 250

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: Mr. Dreier

Summary of Motion: To allow the Ways and Means Committee Ranking Member McCrery to offer a substitute to the tax provision, debatable for one hour.

Results: Defeated 4-9

Vote by Member:

MCGOVERN	NAY
HASTINGS (FL)	NAY
MATSUI	NAY
CARDOZA	NAY
WELCH	NAY
CASTOR	NAY
ARCURI	NAY
SUTTON	NAY
DREIER	YEA
DIAZ-BALART	YEA
HASTINGS (WA)	YEA
SESSIONS	YEA
SLAUGHTER	NAY

Rules Committee Record Vote No. 251

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: Mr. Hastings (WA)

Summary of Motion: To allow the Chairman and the Ranking Member of the Committee on Natural Resources one hour to discuss revisions in the body of the last paragraph of the Manager's amendment.

Results: Defeated 4-9

Vote by Member:

MCGOVERN	NAY
HASTINGS (FL)	NAY
MATSUI	NAY
CARDOZA	NAY
WELCH	NAY
CASTOR	NAY
ARCURI	NAY
SUTTON	NAY
DREIER	YEA
DIAZ-BALART	YEA
HASTINGS (WA)	YEA
SESSIONS	YEA
SLAUGHTER	NAY

Rules Committee Record Vote No. 252

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: Mr. Dreier

Summary of Motion: To allow for a division of the question to provide a separate vote on the Ways and Means offset provision contained in Part A of the report.

Results: Defeated 4-9

Vote by Member:

MCGOVERN	NAY
HASTINGS (FL)	NAY
MATSUI	NAY
CARDOZA	NAY
WELCH	NAY
CASTOR	NAY
ARCURI	NAY
SUTTON	NAY
DREIER	YEA
DIAZ-BALART	YEA
HASTINGS (WA)	YEA
SESSIONS	YEA
SLAUGHTER	NAY

Rules Committee Record Vote No. 253

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: Mr. Diaz-Balart

Summary of Motion: To strike the Rangel amendment from the rule.

Results: Defeated 4-9

Vote by Member:

MCGOVERN	NAY
HASTINGS (FL)	NAY
MATSUI	NAY
CARDOZA	NAY
WELCH	NAY
CASTOR	NAY
ARCURI	NAY
SUTTON	NAY
DREIER	YEA
DIAZ-BALART	YEA
HASTINGS (WA)	YEA
SESSIONS	YEA
SLAUGHTER	NAY

Rules Committee Record Vote No. 254

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: Mr. Diaz-Balart

Summary of Motion: To provide an open rule.

Results: Defeated 4-9

Vote by Member:

MCGOVERN	NAY
HASTINGS (FL)	NAY
MATSUI	NAY
CARDOZA	NAY
WELCH	NAY
CASTOR	NAY
ARCURI	NAY
SUTTON	NAY
DREIER	YEA
DIAZ-BALART	YEA
HASTINGS (WA)	YEA
SESSIONS	YEA
SLAUGHTER	NAY

Rules Committee Record Vote No. 255

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: Mr. Diaz-Balart

Summary of Motion: To make in order and provide appropriate waivers for an amendment by Rep. Fortuño (PR), #4, which would exempt all milk deficient states from paying the mandatory Dairy Promotion Assessment as determined by the Dairy Production Stabilization Act of 1983.

Results: Defeated 4-9

Vote by Member:

MCGOVERN	NAY
HASTINGS (FL)	NAY
MATSUI	NAY
CARDOZA	NAY
WELCH	NAY
CASTOR	NAY
ARCURI	NAY
SUTTON	NAY
DREIER	YEA
DIAZ-BALART	YEA
HASTINGS (WA)	YEA
SESSIONS	YEA
SLAUGHTER	NAY

Rules Committee Record Vote No. 256

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: Mr. Diaz-Balart

Summary of Motion: To make in order and provide appropriate waivers for an amendment by Rep. Berry (AR), #17, which strikes Title I of H.R. 2419 and replaces it with an extension of Title I of the Farm Security and Rural Investment Act of 2002 for five years, with certain exceptions.

Results: Defeated 4-9

Vote by Member:

MCGOVERN	NAY
HASTINGS (FL)	NAY
MATSUI	NAY
CARDOZA	NAY
WELCH	NAY
CASTOR	NAY
ARCURI	NAY
SUTTON	NAY
DREIER	YEA
DIAZ-BALART	YEA
HASTINGS (WA)	YEA
SESSIONS	YEA
SLAUGHTER	NAY

Rules Committee Record Vote No. 257

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: Mr. Diaz-Balart

Summary of Motion: To make in order and provide appropriate waivers for an amendment by Rep. Gerlach (PA), #62, which amends the bill to set aside 15% of farmland protection funds for cost-share grants (25% maximum Federal share) to support eligible State agencies, county, and one or more eligible entities (local government or private entities) to purchase conservation easements.

Results: Defeated 4-9

Vote by Member:

MCGOVERN	NAY
HASTINGS (FL)	NAY
MATSUI	NAY
CARDOZA	NAY
WELCH	NAY
CASTOR	NAY
ARCURI	NAY
SUTTON	NAY
DREIER	YEA
DIAZ-BALART	YEA
HASTINGS (WA)	YEA
SESSIONS	YEA
SLAUGHTER	NAY

Rules Committee Record Vote No. 258

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: Mr. Hastings (WA)

Summary of Motion: To make in order and provide appropriate waivers for an amendment by Rep. Blumenauer (OR)/Flake (AZ)/Ryan, Paul (WI)/Kind (WI), #12, which provides for effective annual payment limits for farm commodity program payments and benefits. The effective limits are \$40,000 for direct payments, \$60,000 for counter-cyclical payments, and \$150,000 for marketing loan program payments and benefits. Overall, the amendment limits farm commodity program payments and benefits to no more than \$250,000 per year. The amendment provides for direct attribution of farm commodity program payments and tightens requirements for being considered actively engaged in farming. The amendment also increases funding for certain conservation and forestry programs.

Results: Defeated 4-9

Vote by Member:

MCGOVERN	NAY
HASTINGS (FL)	NAY
MATSUI	NAY
CARDOZA	NAY
WELCH	NAY
CASTOR	NAY
ARCURI	NAY
SUTTON	NAY
DREIER	YEA
DIAZ-BALART	YEA
HASTINGS (WA)	YEA
SESSIONS	YEA
SLAUGHTER	NAY

Rules Committee Record Vote No. 259

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: Mr. Hastings (WA)

Summary of Motion: To make in order and provide appropriate waivers for an amendment by Rep. Ellison (MN), #34, which would require states to "opt in" and pass legislation if they wish to deny food stamp benefits to drug felons who have been released from prison. If a state does not pass such legislation, these individuals would be eligible for food stamps.

Results: Defeated 4-9

Vote by Member:

MCGOVERN	NAY
HASTINGS (FL)	NAY
MATSUI	NAY
CARDOZA	NAY
WELCH	NAY
CASTOR	NAY
ARCURI	NAY
SUTTON	NAY
DREIER	YEA
DIAZ-BALART	YEA
HASTINGS (WA)	YEA
SESSIONS	YEA
SLAUGHTER	NAY

Rules Committee Record Vote No. 260

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: Mr. Hastings (WA)

Summary of Motion: To make in order and provide appropriate waivers for an amendment by Rep. Hastings (WA), #49, which would authorize USDA to make payments to asparagus producers that have suffered market losses due to increased imports of Peruvian asparagus under the Andean Trade Preferences Act (ATPA).

Results: Defeated 4-8

Vote by Member:

MCGOVERN	NAY
HASTINGS (FL)	NAY
MATSUI	NAY
CARDOZA	NAY
WELCH	NAY
CASTOR	NAY
ARCURI	NAY
SUTTON	NAY
DREIER	YEA
DIAZ-BALART	YEA
HASTINGS (WA)	YEA
SESSIONS	YEA
SLAUGHTER	

Rules Committee Record Vote No. 261

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: Mr. Sessions

Summary of Motion: To make in order and provide appropriate waivers for an amendment by Rep. Boustany (LA)/Goodlatte (VA)/Bonner (AL)/Buyer (IN)/Pence (IN)/Conaway (TX), #5, which strikes Section 4008 of the bill. That section prevents states from privatizing their food stamp eligibility determination system and other aspects of the Food Stamp Program.

Results: Defeated 4-9

Vote by Member:

MCGOVERN	NAY
HASTINGS (FL)	NAY
MATSUI	NAY
CARDOZA	NAY
WELCH	NAY
CASTOR	NAY
ARCURI	NAY
SUTTON	NAY
DREIER	YEA
DIAZ-BALART	YEA
HASTINGS (WA)	YEA
SESSIONS	YEA
SLAUGHTER	NAY

Rules Committee Record Vote No. 262

Date: July 26, 2007 (Legislative Day of July 25, 2007)

Measure: H.R. 2419

Motion By: McGovern

Summary of Motion: To report the rule.

Results: Adopted 9-4

Vote by Member:

MCGOVERN	YEA
HASTINGS (FL)	YEA
MATSUI	YEA
CARDOZA	YEA
WELCH	YEA
CASTOR	YEA
ARCURI	YEA
SUTTON	YEA
DREIER	NAY
DIAZ-BALART	NAY
HASTINGS (WA)	NAY
SESSIONS	NAY
SLAUGHTER	YEA

SUMMARY OF AMENDMENTS CONSIDERED AS ADOPTED

Summary of Reserve Fund en bloc

Food Stamps: excludes combat-related military pay from countable income. Raises the standard deduction. Lifts cap on dependent care. Indexes for inflation the asset limits for food stamp households. Excludes qualified tuition programs, Coverdell Education Savings Accounts, and retirement accounts from countable financial resources. Increases the minimum benefit. Increases to \$250 million and indexes mandatory funding for TEFAP.

Energy: Doubles funding for the biobased product designation program. Provides mandatory funding for up to \$2 billion in loan guarantees for biorefineries and biofuel production plants. Adds mandatory funding for renewable energy systems and energy efficiency improvements. Increases mandatory funding for Biomass Research and Development. Increases funding for USDA bioenergy program. Reauthorizes and funds Biodiesel Fuel Education Program. Establishes Biomass Energy Reserve and Forest Biomass for Energy program.

Summary of offset amendments

The amendment revises an existing exception to the Right to Financial Privacy Act of 1979 so that improper electronic payments can be traced and recovered. Revising the exception would permit the Federal Government to verify that the correct party is making electronic payments to, or receiving electronic payments from, the government. (CBO estimates this provision would reduce direct spending by \$118 million over five years and \$283 million over ten years.

The amendment will prevent foreign multinational corporations that are organized in countries without tax treaties (generally countries with little or no income taxes, including Caribbean tax havens) from manipulating the U.S. tax treaty system to avoid U.S. taxes. This will not affect any U.S. based multinational and it would have little or no impact on foreign multinationals organized in countries with tax treaties. (CBO estimates that this amendment would provide \$4 billion in the first five year and a total of \$7.5 billion over 10 years)

Summary of manager's amendment:

Commodity programs: Makes technical changes to achieve full savings from elimination of advanced direct and partial counter-cyclical payments. Conservation: Establishes pilot conservation program to create incentives for peanut crop rotation. Includes the Sacramento River Watershed as a priority area for RWEF. Provides air quality funding under Conservation Innovation Grants. Provides that only land enrolled in general Conservation Reserve Program sign-ups is eligible for early termination. Trade: Adds reporting and study requirements. Establishes authorization of food aid programs at \$2.5 billion annually. Increases authorization for Famine Prevention and Relief. Makes tobacco ineligible for MAP. Nutrition: Authorizes a competitive grants program to improve underserved communities access to healthy foods. Provides Sense of Congress on "food deserts". Establishes the Healthy Food Urban Enterprise Development Program. Encourages FAPRI-University partnerships related to specialty crop research. Credit Authorizes the Secretary to make and insure loans to eligible purchasers of highly fractioned land. Meat and Poultry: Strikes Sense of Congress Regarding State Inspected Meat and Poultry Products. Pigford

Claims: Would allow claimants who met the criteria of a civil action relating to racial discrimination by the USDA but were denied, a mechanism for redetermination based on the merits of their claims. Provides funding for claims. Cool: Provides that for perishable agricultural commodities and peanuts, such products may only be labeled as having a United States country of origin if the commodity is exclusively produced in the United States. APHIS: Strikes provision moving certain border inspection functions from the Department of Homeland Security to USDA. National Drought Preparedness Act of 2005: Establishes the National Drought Council. Crop Insurance: Provides for the Corporation to pay a portion of premiums for area revenue plans. Dairy: Provides for a refund of assessments on certain imported dairy products. Food Deserts: Expresses sense of Congress. Wastewater infrastructure: Requires GAO study of rural communities along U.S.-Mexico border.

Adds new language which provides mandatory (as opposed to discretionary) spending for the McGovern-Dole International Food for Education and Child Nutrition Program and helps pay for the program through additional savings in the Federal crop insurance program; Imposes a "conservation of resources fee" on oil or gas produced from certain OCS deepwater leases unless contractual agreements require royalties to be paid when market prices exceed specified thresholds. This provision would apply to production by firms that would not, under current law, voluntarily revise the terms of leases issued in 1998 and 1999 that provides royalty relief regardless of the market price of oil and gas. The amendment would also repeal provisions of the Energy Policy Act of 2004 that preclude the Bureau of Land Management from collecting certain fees, provide additional royalty relief for oil and gas produced from the Outer Continental Shelf from ultra-deep wells, very deep waters and Alaska; and authorize the Secretary of the Interior to modify the terms of oil and gas leases in the National Petroleum Reserve in Alaska. (CBO estimates that these provisions would reduce direct spending by \$2.435 billion over five years and \$6.125 billion over ten years.

SUMMARY OF AMENDMENTS MADE IN ORDER
(summaries derived from information provided by sponsors)

- | | | |
|---|--|-----------------|
| 1. Kind (WI): | The Fairness in Farm and Food Policy Amendment will reform the farmer safety net to work better for small farmers at lower cost, reallocate funding to nutrition, conservation, specialty crops and healthy foods, rural development, and programs that benefit socially disadvantaged farmers. | (40
minutes) |
| 2. Frank (MA)/Bachus (AL): | The amendment strikes five sections from Title V of the bill (Agribusiness loan eligibility, Loan-to-asset value requirements, Population limit for single-family housing loans, Majority farmer control requirement, and Borrower stock requirement), which expand the lending authority of the Farm Credit System. | (10
minutes) |
| 3. Goodlatte (VA): | The amendment streamlines and adopts one set of terms and conditions of easements for the Wetlands Reserve Program (WRP), Grasslands Reserve Program (GRP), Farmland and Ranchland Protection Program (FRPP), and Healthy Forest Reserve Program (HFRP). | (10
minutes) |
| 4. Lucas (OK): | The amendment would make livestock producers eligible for livestock assistance programs regardless of whether they had Noninsured Crop Disaster Assistance (NAP) coverage. | (10
minutes) |
| 5. Cardoza (CA): | The amendment requires USDA to transition Animal and Plant Health Inspection Service (APHIS) employees responsible for plant pest inspection duties back to USDA from the Department of Homeland Security in order to better serve the needs of American agriculture. | (10
minutes) |
| 6. Boustany (LA)/Alexander (LA): | The amendment states that in the case of sweet potatoes, Risk Management Agency Pilot Program data shall not be considered for purposes of determining production for the 2005-2006 Farm Service Agency Crop Disaster Program. | (10
minutes) |
| 7. Jackson-Lee (TX): | The amendment is intended to express the sense of Congress that the food available to schoolchildren under the school breakfast and lunch program should be selected so as to reduce the incidence of juvenile obesity and to maximize nutritional value. | (10
minutes) |

8. Hastings (FL):	The amendment adds a new section for "Pollinator Protection" that authorizes research funding to reduce North American pollinator decline and understand Colony Collapse Disorder. This amendment also adjusts USDA conservation programs to put a greater emphasis on increasing habitat and establishing cropping and integrated pest management practices to protect native and managed pollinators.	(10 minutes)
9. Arcuri (NY)/Welch (VT)/Gillibrand (NY):	The amendment expresses the Sense of Congress that the Secretary of Agriculture should use existing authority when determining the Class I milk price mover to take into account the increased cost of production, including energy and feed.	(10 minutes)
10. Welch (VT):	The amendment encourages schools to submit plans for implementation to the Secretary that include locally grown foods, in areas where geographically available.	(10 minutes)
11. Welch (VT)/Arcuri (NY):	The amendment adds a provision to the review process for the Federal Milk Marketing Order Review Commission to include an evaluation of cost of production variables, including cost of feed and cost of fuel. Additionally, it encourages the Commission to be regionally diverse, and moves up the date from 24 months to 18 months after the enactment of this bill.	(10 minutes)
12. Rangel (NY):	The amendment removes certain banking restrictions related to Cuba's payment for agricultural purchases from U.S. producers. It also authorizes direct transfers between Cuban banks and U.S. banks and allows visas to be issued to conduct activities related to purchasing U.S. agricultural goods.	(10 minutes)
13. Boehner (OH):	The amendment would replace the current daily posted county prices (PCPs) used for determining loan deficiency payment rates and repayment rates for marketing assistance loans with a monthly PCP for each crop. It would revise requirements for establishing a producer's loan deficiency payment (LDP) and loan repayment rate to be based on the month that beneficial interest is lost. The amendment aims to address farmers taking advantage of short-term market events to lock in artificially high loan deficiency payments, while actually selling the commodity later at prices well above the loan rate.	(10 minutes)

14. Johnson, Eddie Bernice (TX):	The amendment adds the additional point to Subtitle B of the research title that emphasis should be placed on proposals that examine the efficacy of current agriculture policies in promoting the health and welfare of economically disadvantaged populations (in addition to supporting research/ health promotion to “solve the problems of nutritional inadequacy).	(10 minutes)
15. Manzullo (IL):	The amendment exempts the Environmental Quality Incentives Program (EQIP) from the \$60,000 and \$125,000 payment limitations, resetting it to the \$450,000 limitation that is in the current law.	(10 minutes)
16. Blumenauer (OR):	The amendment would make conservation easements purchased through a transferable development rights program eligible for grants under the Farm and Ranchland Protection Program. Transferable Development Rights (TDR) programs are a voluntary, market-based tool used by states and cities to protect farmland, private property rights, and taxpayer dollars by allowing the transfer of development rights from one parcel of land to another.	(10 minutes)
17. Latham (IA):	The amendment amends the Household Water Well System Program, which makes grants to non-profit organizations to finance the construction, refurbishing, and servicing of individually owned household water well systems in rural areas for individuals with low or moderate incomes, to allow the use of in-kind contributions to meet the required federal funding match of 10%. The amendment also clarifies that in-kind contributions used to meet the match can be for no purpose other than to administer the water well grant program.	(10 minutes)
18. Berry (AR):	The amendment will prohibit non-profit organizations with more than \$50 million in direct public support from receiving conservation payments.	(10 minutes)
19. Davis, Danny (IL)/Kirk (IL):	The amendment strikes the sugar sections in the commodity title as well as the feedstock flexibility program for bioenergy producers, extending current programs until 2012.	(10 minutes)
20. Terry (NE):	The amendment creates a competitive demonstration project	(10

	designed to provide proof of concept in supplementing corn with sweet sorghum as an ethanol feedstock.	minutes)
21. Udall, Mark (CO):	The amendment reduces the direct payment rate for cotton by 2/3 of a cent. The resulting savings would be used to fund enrollment of 224,000 additional acres in the Grasslands Reserve Program.	(10 minutes)
22. Wu (OR):	The amendment broadens the eligible universities by adding that universities that do work in alternative energy related fields, such as agriculture, chemistry, environmental sciences, bioengineering, biochemistry, natural resources and public policy are eligible for the biofuels from biomass internship program.	(10 minutes)
23. Clay (MO):	The amendment would make grants to eligible entities to assist in purchasing operating organic gardens or greenhouses in urban areas for growing fruits and vegetables.	(10 minutes)
24. Israel (NY)/Doyle (PA):	The amendment would eliminate the sale of random source animals for research and will prohibit the marketing of medical devices by using live animals in demonstrations to market such devices.	(10 minutes)
25. Putnam (FL):	The amendment prohibits individuals from receiving farm conservation payments if their income exceeds \$1 million, unless 75% of the income comes from farm income.	(10 minutes)
26. Bordallo (GU):	The amendment authorizes a grants program to assist the land grant institutions in the U.S. territories in upgrading facilities and equipment in the agricultural and food sciences. It authorizes appropriations for five years in the amount of \$8 million per year. It authorizes USDA to vary award amounts and to establish competitive criteria for the program.	(10 minutes)
27. Cooper (TN):	The amendment will comprehensively reform the federal crop insurance program, including the Administration's farm bill crop insurance proposals. This amendment saves approximately \$4 billion while adding resources to the Grassland Reserve Program.	(10 minutes)

28. Emanuel (IL):	The amendment directs the USDA to investigate which estates have been receiving payments in the name of dead farmers and recoup payments made in the name of deceased individuals.	(10 minutes)
29. Hall, John (NY):	The amendment would establish a program to encourage environmentally responsible practices on actively farmed muck soil land.	(10 minutes)
30. Hodes (NH)/Arcuri (NY):	The amendment authorizes a grant program for state and local communities and governments known as the Community Wood Energy Program to use low-grade wood biomass in community wood energy systems for state and locally owned businesses such as schools, town halls, and courthouses.	(10 minutes)
31. Shuler (NC):	The amendment allows non-industrial private forest lands to be eligible for emergency restoration funds if the Secretary determines that insect or disease poses an imminent threat of loss or damage to those lands.	(10 minutes)

Part A

TEXT OF AMENDMENTS TO BE CONSIDERED AS ADOPTED

AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. PETERSON OF MINNESOTA
(Consisting of Amendments to Titles IV and IX of the
Reported Bill)

[NUTRITION TITLE]

After section 4004 of the bill, insert the following
(and make such technical and conforming changes as
may be appropriate):

1 **SEC. 4005. EXCLUDING COMBAT RELATED PAY FROM**
2 **COUNTABLE INCOME.**

3 Section (5)(d) of the Food Stamp Act of 1977 (7
4 U.S.C. 2014(d)) is amended—

5 (1) by striking “and (18)”, and inserting
6 “(18)”, and

7 (2) by inserting before the period at the end the
8 following: “and (19) any additional payment received
9 under Chapter 5 of title 37, United States Code, by
10 (or as an allotment to or transfer from) a member
11 of the United States Armed Forces deployed to a
12 designated combat zone for the duration of the
13 member’s deployment to or service in a combat zone
14 if the additional pay was not received immediately
15 prior to serving in that or another combat zone.”.

1 **SEC. 4006. INCREASING THE STANDARD DEDUCTION.**

2 Section (5)(e)(1) of the Food Stamp Act of 1977 (7
3 U.S.C. 2014(e)(1)) is amended—

4 (1) in subparagraph (A)(ii) by striking “not
5 less than \$134” and all that follows through the pe-
6 riod at the end, and inserting the following: “not
7 less than \$145, \$248, \$205, and \$128, respectively.
8 On October 1, 2008, and each October 1 thereafter,
9 such standard deduction shall be an amount that is
10 equal to the amount from the previous fiscal year
11 adjusted to the nearest lower dollar increment to re-
12 flect changes in the Consumer Price Index for All
13 Urban Consumers published by the Bureau of Labor
14 Statistics, for items other than food, for the 12
15 months ending the preceding June 30.”; and

16 (2) in subparagraph (B)(ii) by striking “not
17 less than \$269.” and inserting the following: “not
18 less than \$291. On October 1, 2008, and each Octo-
19 ber 1 thereafter, such standard deduction shall be
20 an amount that is equal to the amount of the pre-
21 vious fiscal year adjusted to the nearest dollar incre-
22 ment to reflect changes in the Consumer Price Index
23 for All Urban Consumers published by the Bureau
24 of Labor Statistics, for items other than food, for
25 the 12 months ending the preceding June 30.”.

1 **SEC. 4007. EXCLUDING DEPENDENT CARE EXPENSES.**

2 Section (5)(e)(3)(A) of the Food Stamp Act of 1977
3 (7 U.S.C. 2014(e)(3)(A)) is amended by striking “, the
4 maximum allowable level of which shall be \$200 per month
5 for each dependent child under 2 years of age and \$175
6 per month for each other dependent,”.

7 **SEC. 4008. ADJUSTING COUNTABLE RESOURCES FOR IN-**
8 **FLATION.**

9 Section (5)(g) of the Food Stamp Act of 1977 (7
10 U.S.C. 2014(g)) is amended—

11 (1) by striking “(g)(1) The Secretary” and in-
12 serting the following:

13 “(g) ALLOWABLE FINANCIAL RESOURCES.—

14 “(1) TOTAL AMOUNT.—

15 “(A) IN GENERAL.—The Secretary”.

16 (2) in subparagraph (A) (as so designated by
17 paragraph (1))—

18 (A) by inserting “(as adjusted in accord-
19 ance with subparagraph (B))” after “\$2,000”;
20 and

21 (B) by inserting “(as adjusted in accord-
22 ance with subparagraph (B))” after “\$3,000”;
23 and

24 (3) by adding at the end the following:

25 “(B) ADJUSTMENT FOR INFLATION.—

1 “(i) IN GENERAL.—Beginning on Oc-
2 tober 1, 2007, and each October 1 there-
3 after, the amounts in subparagraph (A)
4 shall be adjusted to the nearest \$100 in-
5 crement to reflect changes for the 12-
6 month period ending the preceding June in
7 the Consumer Price Index for All Urban
8 Consumers published by the Bureau of
9 Labor Statistics of the Department of
10 Labor.

11 “(ii) REQUIREMENT.—Each adjust-
12 ment under clause (i) shall be based on the
13 unrounded amount for the prior 12-month
14 period.”.

15 **SEC. 4009. EXCLUDING EDUCATION ACCOUNTS FROM**
16 **COUNTABLE INCOME.**

17 Section (5)(g) of the Food Stamp Act of 1977 (7
18 U.S.C. 2014(g)) is amended by adding at the end the fol-
19 lowing:

20 “(7) EXCLUSION OF EDUCATION ACCOUNTS
21 FROM COUNTABLE RESOURCES.—

22 “(A) MANDATORY EXCLUSIONS.—The Sec-
23 retary shall exclude from financial resources
24 under this subsection the value of any funds in
25 a qualified tuition program described in section

1 529 of the Internal Revenue Code of 1986 or
2 in a Coverdell education savings account under
3 section 530 of that Code.

4 “(B) DISCRETIONARY EXCLUSIONS.—The
5 Secretary may also exclude from financial re-
6 sources under this subsection the value of any
7 program or account included in any successor
8 or similar provision that is enacted and deter-
9 mined to be exempt from taxation under the In-
10 ternal Revenue Code of 1986.”.

11 **SEC. 4010. EXCLUDING RETIREMENT ACCOUNTS FROM**
12 **COUNTABLE INCOME.**

13 Section (5)(g) of the of the Food Stamp Act of 1977
14 (7 U.S.C. 2014(g)), as amended by section 4009, is
15 amended—

16 (1) in subsection (g)(2)(B)(v) by striking “or
17 retirement account (including an individual ac-
18 count)” and inserting “account”; and

19 (2) adding at the end the following:

20 “(8) EXCLUSION OF RETIREMENT ACCOUNTS
21 FROM COUNTABLE RESOURCES.—

22 “(A) MANDATORY EXCLUSIONS.—The Sec-
23 retary shall exclude from financial resources
24 under this subsection the value of any funds in
25 a plan, contract, or account as described in sec-

1 tion 401(a), 403(a), 403(b), 408, 408A, 457(b),
2 or 501(c)(18) of the Internal Revenue Code of
3 1986 and the value of funds in a Federal Thrift
4 Savings Plan account as provided section 8439
5 of title 5, United States Code.

6 “(B) DISCRETIONARY EXCLUSIONS.—

7 “(i) The Secretary may exclude from
8 financial resources under this subsection
9 any other retirement plans, contracts, or
10 accounts that have been determined to be
11 tax qualified retirement plans, contracts,
12 or accounts, under the Internal Revenue
13 Code of 1986.

14 “(ii) The Secretary may also exclude
15 from financial resources under this sub-
16 section the value of any program or ac-
17 count included in any successor or similar
18 provision that is enacted and determined to
19 be exempt from taxation under the Inter-
20 nal Revenue Code of 1986.”.

 After section 4006 of the bill, insert the following
(and make such technical and conforming changes as
may be appropriate):

1 **SEC. 4014. INCREASING THE MINIMUM BENEFIT.**

2 Section 8(a) of the Food Stamp Act of 1977 (7
3 U.S.C. 2017(a)) is amended by striking “\$10 per month”
4 and inserting “10 percent of the thrifty food plan for a
5 household containing 1 member, as determined by the Sec-
6 retary under section 3(o)”.

Strike section 4021 of the bill, insert the following
(and make such technical and conforming changes as
may be appropriate):

7 **SEC. 4028. EMERGENCY FOOD ASSISTANCE PROGRAM.**

8 Section 27(a) of the Food Stamp Act of 1977 (7
9 U.S.C. 2036(a)) is amended by—

10 (1) by striking “(a) PURCHASE OF COMMOD-
11 ITIES” and all that follows through 2007’ and in-
12 serting the following:

13 “(a) PURCHASE OF COMMODITIES.—

14 “(1) IN GENERAL.—As provided in paragraph
15 (2), for each of the fiscal years 2008 through 2012”;

16 (2) by striking “\$140,000,000 of”; and

17 (3) by adding at the end the following:

18 “(2) AMOUNTS.—The following amounts are
19 made available to carry out this subsection:

20 “(A) for fiscal year 2008, \$250,000,000;

21 and

1 “(B) for each of the fiscal years 2009
2 through 2012, the dollar amount of commod-
3 ities specified in subparagraph (A) adjusted by
4 the percentage by which the thrifty food plan
5 has been adjusted under section 3(o)(4) be-
6 tween June 30, 2007 and June 30 of the imme-
7 diately preceding fiscal year.”.

[ENERGY TITLE]

Section 9002 of the bill is amended by adding at the
end the following new paragraph:

8 (3) by striking subsection (k)(2)(A) and insert-
9 ing the following:

10 “(A) IN GENERAL.—Of the funds of the
11 Commodity Credit Corporation, the Secretary
12 shall use \$2,000,000 for each of fiscal years
13 2008 through 2012 for bio-product testing and
14 support ongoing operations of the Designation
15 Program, the Voluntary Labeling Program,
16 procurement program models, procurement re-
17 search, promotion, education, and awareness of
18 the BioPreferred Program.”.

Section 9003(3) of the bill is amended by striking
“subsections (d) through (h) as subsections (e) through
(i), respectively” and inserting “subsection (h) as sub-

section (j) and subsections (d) through (g) as subsections (e) through (h), respectively.”.

Section 9003 of the bill is amended by striking paragraph (5) and adding at the end the following new paragraphs:

(5) by inserting after subsection (h) the following new subsection:

“(i) CONDITION OF PROVISION OF ASSISTANCE.—As a condition of receiving a grant or loan guarantee under this section, the eligible entity shall ensure that all laborers and mechanics employed by contractors or subcontractors in the performance of construction work financed in whole or in part with the grant or loan guarantee, as the case may be, shall be paid wages at rates not less than those prevailing on similar construction in the locality, as determined by the Secretary of Labor in accordance with section 3141 through 3144, 3146, and 3147 of title 40, United States Code. The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F. R. 3176; 64 Stat. 1267) and section 3145 of such title.”;

(6) in subsection (j) (as so redesignated), by striking “2007” and inserting “2012”; and

1 (7) by adding at the end the following new sub-
2 section:

3 “(k) ADDITIONAL FUNDING FOR LOAN GUARAN-
4 TEES.—Of the funds of the Commodity Credit Corpora-
5 tion, the Secretary shall use to carry out this section—
6 “(1) \$75,000,000 for fiscal year 2008;
7 “(2) \$100,000,000 for fiscal year 2009;
8 “(3) \$125,000,000 for fiscal year 2010;
9 “(4) \$200,000,000 for fiscal year 2011; and
10 “(5) \$300,000,000 for fiscal year 2012.”.

Section 9005(5) of the bill is amended by striking
“redesignating subsections (e) and (f) as subsections (g)
and (h), respectively” and inserting “redesignating sub-
section (e) as subsection (g) and striking subsection (f)”.

Section 9005 of the bill is amended by adding at the
end the following new paragraph:

11 (7) by adding at the end the following new sub-
12 section:

13 “(h) FUNDING.—Of the funds of the Commodity
14 Credit Corporation, the Secretary of Agriculture shall
15 make available to carry out this section—
16 “(1) \$50,000,000 for fiscal year 2008;
17 “(2) \$75,000,000 for fiscal year 2009;
18 “(3) \$100,000,000 for fiscal year 2010;

1 “(4) \$125,000,000 for fiscal year 2011; and
2 “(5) \$150,000,000 for fiscal year 2012.”.

Section 9007 of the bill is amended by adding at the end the following new paragraph:

3 (3) by striking subsection (c) and inserting the
4 following:

5 “(c) FUNDING.—Of the funds of the Commodity
6 Credit Corporation, the Secretary of Agriculture shall use
7 to carry out this section—

8 “(1) \$225,000,000 for fiscal year 2008;

9 “(2) \$250,000,000 for fiscal year 2009;

10 “(3) \$275,000,000 for fiscal year 2010;

11 “(4) \$300,000,000 for fiscal year 2011; and

12 “(5) \$350,000,000 for fiscal year 2012.”.

Section 9008(j) of the Farm Security and Rural Investment Act of 2002, as added by section 9006 of the bill, is amended to read as follows:

13 “(j) FUNDING.—

14 “(1) IN GENERAL.—Of the funds of the Com-
15 modity Credit Corporation, the Secretary of Agri-
16 culture shall make available to carry out this sec-
17 tion—

18 “(A) \$35,000,000 for fiscal year 2008;

19 “(B) \$60,000,000 for fiscal year 2009;

1 “(C) \$75,000,000 for fiscal year 2010;
2 “(D) \$100,000,000 for fiscal year 2011;
3 and
4 “(E) \$150,000,000 for fiscal year 2012.
5 “(2) ADDITIONAL FUNDING.—In addition to
6 amounts transferred under paragraph (1), there are
7 authorized to be appropriated to carry out this sec-
8 tion \$200,000,000 for each of fiscal years 2006
9 through 2015.”.

At the end of title IX of the bill, add the following
new sections:

10 **SEC. 9018. BIODIESEL FUEL EDUCATION PROGRAM.**

11 Section 9004(d) of the Farm Security and Rural In-
12 vestment Act of 2002 (7 U.S.C. 8104(d)) is amended to
13 read as follows:

14 “(d) FUNDING.—Of the funds of the Commodity
15 Credit Corporation, the Secretary shall make available to
16 carry out this section \$2,000,000 for each of fiscal years
17 2008 through 2012.”.

18 **SEC. 9019. BIOMASS ENERGY RESERVE.**

19 Title IX of the Farm Security and Rural Investment
20 Act of 2002 (7 U.S.C. 8101 et seq.) is amended by adding
21 at the end the following new section:

1 **“SEC. 9017. BIOMASS ENERGY RESERVE.**

2 “(a) PURPOSE.—The purpose of this section is to es-
3 tablish a biomass energy reserve—

4 “(1) to encourage production of dedicated en-
5 ergy crops in a sustainable manner that protects the
6 soil, air, water, and wildlife of the United States;
7 and

8 “(2) to provide financial and technical assist-
9 ance to owners and operators of eligible cropland to
10 produce dedicated energy crops and crop mixes of
11 suitable quality and in sufficient quantities to sup-
12 port and induce development and expansion of the
13 use of the crop for—

14 “(A) bioenergy;

15 “(B) power or heat generation to supple-
16 ment or replace nonbiobased energy sources; or

17 “(C) biobased products to supplement or
18 replace non biobased products;

19 “(3) to establish biomass energy reserve project
20 areas; and

21 “(4) to provide financial and technical assist-
22 ance to owners and operators for harvesting, storing,
23 and transporting cellulosic material.

24 “(b) DEFINITIONS.— In this section:

25 “(1) BEGINNING FARMER OR RANCHER.—The
26 term ‘beginning farmer or rancher’ has the meaning

1 given the term in section 343(a) of the Consolidated
2 Farm and Rural Development Act (7 U.S.C.
3 1991(a)).

4 “(2) BER.—The term ‘BER’ means the bio-
5 mass energy reserve established under this section.

6 “(3) BER PROJECT AREA.—The term ‘BER
7 project area’ means an area that—

8 “(A) has eligible cropland that—

9 “(i) is owned or operated by eligible
10 participants; and

11 “(ii) has specified boundaries that are
12 submitted to the Secretary by eligible par-
13 ticipants and subsequently approved by the
14 Secretary; and

15 “(B) is physically located within a 50-mile
16 radius of a bioenergy facility.

17 “(4) CONSERVATION RESERVE PROGRAM.—The
18 term ‘conservation reserve program’ means the con-
19 servation reserve program established under sub-
20 chapter B of chapter 1 of subtitle D of title XII of
21 the Food Security Act of 1985 (16 U.S.C. 3831 et
22 seq.).

23 “(5) CONTRACT ACREAGE.—The term ‘contract
24 acreage’ means eligible cropland that is covered by
25 a BER contract entered into with the Secretary.

1 “(6) ELIGIBLE APPLICANT.—The term ‘eligible
2 applicant’ means—

3 “(A) a collective group of owners and oper-
4 ators producing or proposing to produce eligible
5 dedicated energy crops;

6 “(B) an energy or agricultural company or
7 refinery; and

8 “(C) an Agricultural Innovation Center es-
9 tablished pursuant to section 6402 of the Farm
10 Security and Rural Investment Act of 2002
11 (Public Law 107-171; 116 Stat. 426; 7 U.S.C.
12 1621 note).

13 “(7) ELIGIBLE CROPLAND.—

14 “(A) IN GENERAL.—The term ‘eligible
15 cropland’ means land that the applicable county
16 committee of the Farm Service Agency deter-
17 mines—

18 “(i) is currently being tilled for the
19 production of a crop for harvest; or

20 “(ii) is not currently being tilled but
21 has been tilled in a prior crop year and is
22 suitable for production of an eligible dedi-
23 cated energy crop.

24 “(B) EXCLUSIONS.—The term ‘eligible
25 cropland’ does not include—

1 “(i) Federally-owned land;

2 “(ii) land enrolled in—

3 “(I) the conservation reserve pro-
4 gram;

5 “(II) the grassland reserve pro-
6 gram; or

7 “(III) the wetlands reserve pro-
8 gram; and

9 “(iii) land with greater than 50 per-
10 cent cover of native nonwoody vegetation
11 or forest land, as of the date of enactment
12 of this section.

13 “(8) ELIGIBLE DEDICATED ENERGY CROP.—

14 “(A) IN GENERAL.—The term ‘eligible
15 dedicated energy crop’ means any crop native to
16 the United States, or another crop, as deter-
17 mined by the Secretary, grown specifically to
18 provide raw materials for—

19 “(i) conversion to liquid transpor-
20 tation fuels or chemicals through bio-
21 chemical or thermochemical processes; or

22 “(ii) energy generation through com-
23 bustion, pyrolysis, gasification, cofiring, or
24 other technologies, as determined by the
25 Secretary.

1 “(B) EXCLUSIONS.—The term ‘eligible
2 dedicated energy crop’ does not include—

3 “(i) any crop that is eligible for pay-
4 ments under title I or a successor title; or

5 “(ii) any plant that is invasive or nox-
6 ious or has the potential to become
7 invasive or noxious, as determined by the
8 Secretary, in consultation with other ap-
9 propriate Federal or State departments
10 and agencies.

11 “(9) ELIGIBLE PARTICIPANT.—The term ‘eligi-
12 ble participant’ means an owner or operator of con-
13 tract acreage that is physically located within a
14 BER project area .

15 “(10) FEDERALLY-OWNED LAND.—The term
16 ‘Federally-owned land’ means land owned by—

17 “(A) the Federal Government (including
18 any department, instrumentality, bureau, or
19 agency of the Federal Government); or

20 “(B) any corporation whose stock is wholly
21 owned by the Federal Government.

22 “(11) FOREST LAND.—The term ‘forest land’
23 means an ecosystem that is at least 1 acre in size
24 (including timberland and woodland) and that (as
25 determined by the Secretary)—

1 “(A) is characterized by dense and exten-
2 sive tree cover;

3 “(B) contains, or once contained, at least
4 10 percent tree crown cover; and

5 “(C) is not developed and planned for ex-
6 clusive nonforest resource use.

7 “(12) GRASSLAND RESERVE PROGRAM.—The
8 term ‘grassland reserve program’ means the grass-
9 land reserve program established under subchapter
10 C of chapter 2 of subtitle D of title XII of the Food
11 Security Act of 1985 (16 U.S.C. 3838n et seq.).

12 “(13) OPERATOR.—The term ‘operator’ means
13 an individual, entity, or joint operation that is in
14 control of the farming operations on a farm during
15 the applicable crop year.

16 “(14) OWNER.—

17 “(A) IN GENERAL.—The term ‘owner’
18 means a person that has legal ownership of eli-
19 gible cropland.

20 “(B) INCLUSION.—The term ‘owner’ in-
21 cludes—

22 “(i) a person that is buying eligible
23 cropland under a contract for deed; and

24 “(ii) a person that has a life estate in
25 eligible cropland.

1 “(15) QUALIFIED ORGANIZATION.—The term
2 ‘qualified organization’ means—

3 “(A) an Agricultural Innovation Center es-
4 tablished pursuant to section 6402 of the Farm
5 Security and Rural Investment Act of 2002
6 (Public Law 107-171; 116 Stat. 426; 7 U.S.C.
7 1621 note) with significant experience in the
8 field of renewable energy, as determined by the
9 Secretary; or

10 “(B) in a region not served by a center re-
11 ferred to in subparagraph (A)—

12 “(i) an entity with significant experi-
13 ence in the field of renewable energy that
14 is geographically located in such region, as
15 determined by the Secretary; or

16 “(ii) an accredited college or univer-
17 sity with experience providing technical as-
18 sistance in the field of renewable energy
19 that is geographically located in such re-
20 gion, as determined by the Secretary.

21 “(16) SECRETARY.—The term ‘Secretary’
22 means the Secretary of Agriculture.

23 “(17) SOCIALLY DISADVANTAGED FARMER OR
24 RANCHER.—The term ‘socially disadvantaged farmer
25 or rancher’ means a farmer or rancher who is a

1 member of a socially disadvantaged group (as de-
2 fined in section 355(e) of the Consolidated Farm
3 and Rural Development Act (7 U.S.C. 2003(e))).

4 “(18) WETLANDS RESERVE PROGRAM.—The
5 term ‘wetlands reserve program’ means the wetlands
6 reserve program established under subchapter C of
7 chapter 1 of subtitle D of title XII of the Food Se-
8 curity Act of 1985 (16 U.S.C. 3837 et seq.).

9 “(c) ESTABLISHMENT.— Not later than 90 days
10 after the date of enactment of this section, the Secretary
11 shall establish a biomass energy reserve in accordance with
12 this section. The Secretary shall ensure the purposes in
13 subsection (a) are met by including in the reserve projects
14 that include a variety of harvest and post-harvest prac-
15 tices, including stubble height, unharvested strips (includ-
16 ing strips for wildlife habitat), and varying harvest dates
17 and a variety of monoculture and polyculture crop mixes,
18 as appropriate, by project area.

19 “(d) PROPOSALS FOR BER PROJECT AREAS.—

20 “(1) SELECTION OF QUALIFIED ORGANIZA-
21 TIONS.—

22 “(A) IN GENERAL.—The Secretary shall
23 select not more than 10 qualified organizations
24 to assist—

1 “(i) eligible applicants in submitting
2 proposals under paragraph (2); and

3 “(ii) the Secretary in selecting BER
4 project areas.

5 “(B) REGION.—The Secretary shall select
6 not more than 1 qualified organization to assist
7 eligible applicants and the Secretary in any par-
8 ticular region of the United States, as deter-
9 mined by the Secretary.

10 “(C) FUNDING.—The Secretary shall pro-
11 vide each qualified organization selected under
12 paragraph (1) not more than \$300,000 to carry
13 out this paragraph.

14 “(2) CONSULTATION WITH QUALIFIED ORGANI-
15 ZATION.—An eligible applicant may consult with and
16 submit to a qualified organization a written proposal
17 that—

18 “(A) identifies the eligible cropland that
19 will be a part of the proposed BER project
20 area; and

21 “(B) indicates a strong likelihood that the
22 proposed BER project area will generate a suf-
23 ficient quantity of biomass from eligible dedi-
24 cated energy crops and acres or other sources
25 to supply an existing bioenergy facility.

1 “(3) MINIMUM REQUIREMENTS.—The written
2 proposal for a proposed BER project area shall in-
3 clude—

4 “(A) a description of the eligible cropland
5 of each eligible participant that will participate
6 in the proposed BER project area, including—

7 “(i) the quantity of eligible cropland
8 of each eligible participant;

9 “(ii) the physical location of the eligi-
10 ble cropland;

11 “(iii) the 1 or more eligible dedicated
12 energy crops that will be produced on the
13 eligible cropland; and

14 “(iv) the type of land use or crop that
15 will be displaced by the eligible dedicated
16 energy crop;

17 “(B)(i) the name, if available, and type, lo-
18 cation, and description of the bioenergy facility
19 that will use the eligible dedicated energy crops
20 to be produced in the proposed BER project
21 area; and

22 “(ii) a letter of commitment from a
23 bioenergy facility that the facility will use
24 the eligible dedicated energy crops in-

1 tended to be produced in the proposed
2 BER project area;

3 “(C) a general analysis of the anticipated
4 local economic impact of the proposed BER
5 project; and

6 “(D) any additional information needed to
7 determine the eligibility for, and ranking of, the
8 proposal, as determined by the Secretary.

9 “(4) INDIVIDUAL OWNERS AND OPERATORS.—A
10 project area proposal may not submit an individual
11 proposal to participate in the BER.

12 “(5) ELIGIBILITY CRITERIA FOR BER PROJECT
13 AREAS.—The Secretary shall establish a system for
14 ranking BER project areas based on the following
15 criteria:

16 “(A) The probability that the eligible dedi-
17 cated energy crops proposed to be produced in
18 the proposed BER project area will be used for
19 the purposes of the BER.

20 “(B) The inclusion of adequate potential
21 feedstocks and suitable placement with respect
22 to the bioenergy facility.

23 “(C) The potential for a positive economic
24 impact in the proposed BER project area.

1 “(D) The availability of the ownership of
2 the bioenergy facility in the proposed BER
3 project area to producers and local investors.

4 “(E) The participation rate by beginning
5 farmers or ranchers or socially disadvantaged
6 farmers or ranchers.

7 “(F) The potential to improve soil con-
8 servation and water quality, and enhance wild-
9 life habitat, when compared to existing land
10 uses.

11 “(G) The variety of agronomic conditions
12 the proposed eligible dedicated energy crops will
13 be grown within a project area.

14 “(H) The variety of harvest and post har-
15 vest practices, including stubble height,
16 unharvested strips (including strips for wildlife
17 habitat), and varying harvest dates.

18 “(I) The variety of monoculture and
19 polyculture crop mixes, as appropriate, by
20 project area.

21 “(6) SELECTION OF PROJECTS.—

22 “(A) RANKING; SUBMISSION TO SEC-
23 RETARY.—Each qualified organization selected
24 by the Secretary under paragraph (1) shall
25 rank proposals submitted to such qualified or-

1 ganization under paragraph (2) using the sys-
2 tem for ranking established by the Secretary
3 under paragraph (6) and shall submit to the
4 Secretary up to five of the highest ranked appli-
5 cations.

6 “(B) SECRETARY SELECTION.—The Sec-
7 retary shall authorize not less than one pro-
8 posals submitted to the Secretary from each
9 qualified organization under subparagraph (A).

10 “(e) FOREST BIOMASS PLANNING GRANTS.—

11 “(1) IN GENERAL.—The Secretary shall provide
12 forest biomass planning assistance grants to private
13 landowners to develop forest stewardship plans that
14 involve sustainable management of biomass from
15 forest land of the private landowners that will pre-
16 serve diversity, soil, water, or wildlife values of the
17 land, while ensuring a steady supply of biomass ma-
18 terial, through—

19 “(A) State forestry agencies, in consulta-
20 tion with State wildlife agencies; and

21 “(B) technical service provider arrange-
22 ments with third-parties.

23 “(2) LIMITATION.—The total amount of funds
24 used to carry out this subsection shall not exceed
25 \$5,000,000.

1 “(f) DURATION OF CONTRACT.—

2 “(1) IN GENERAL.—Subject to paragraph (2),
3 for purposes of carrying out the BER, the Secretary
4 shall enter into contracts of 5 years.

5 “(2) EARLY TERMINATION.—The Secretary
6 may terminate a contract early if the Secretary de-
7 termines that—

8 “(A) contract acreage will not be used to
9 produce an eligible dedicated energy crop;

10 “(B) a material breach of the contract has
11 occurred;

12 “(C) the owner or operator has died; or

13 “(D) continuation of the contract will
14 cause undue economic hardship.

15 “(g) CONTRACT ACREAGE REQUIREMENTS.—

16 “(1) IN GENERAL.—On approval of a BER
17 project area by the Secretary, each eligible partici-
18 pant in the BER project area shall enter into a con-
19 tract with the Secretary that is consistent with the
20 BER.

21 “(2) ADDITIONAL ELIGIBLE PARTICIPANTS.—

22 The Secretary may add eligible participants to a
23 BER project area after approval of the BER project
24 area.

1 “(3) CONSERVATION PRACTICES.—To ensure
2 the sustainability of farm operations and the protec-
3 tion of soil, air, water and wildlife, the Secretary
4 shall include such terms and conditions in a contract
5 entered into under paragraph (1) as the Secretary
6 considers necessary.

7 “(4) PURPOSES.—

8 “(A) IN GENERAL.—Except as provided in
9 subparagraph (B), to be eligible to participate
10 in the BER, an eligible participant may use eli-
11 gible dedicated energy crops produced on con-
12 tract acreage only for the purposes described in
13 subsection (a).

14 “(B) PERSONAL USE.—During the period
15 before the commercial viability of a bioenergy
16 facility, an eligible participant may use eligible
17 dedicated energy crops produced by the eligible
18 participant on contract acreage for personal
19 use.

20 “(C) SEED PRODUCTION.—During the pe-
21 riod before the commercial viability of a bio-
22 energy facility, an eligible participant may har-
23 vest and sell seed produced on contract acreage.

1 “(5) REQUIREMENTS.—To be eligible to partici-
2 pate in the BER, during the term of the BER con-
3 tract, an eligible participant shall comply with—

4 “(A) the highly erodible land conservation
5 requirements of subtitle B of title XII of the
6 Food Security Act of 1985 (16 U.S.C. 3811 et
7 seq.); and

8 “(B) the wetland conservation require-
9 ments of subtitle C of title XII of that Act (16
10 U.S.C. 3821 et seq.).

11 “(h) ADDITIONAL ELIGIBLE BIOMASS.—

12 “(1) IN GENERAL.—The Secretary may allow
13 on land that is enrolled in the conservation reserve
14 program and located within the BER project area
15 the harvesting of biomass—

16 “(A) in exchange for a reduction of an ap-
17 plicable annual payment in an amount to be de-
18 termined by the Secretary;

19 “(B) in accordance with an approved con-
20 servation reserve program plan, including mid-
21 contract management and forestry maintenance
22 activities; and

23 “(C) in a manner that ensures that bio-
24 mass harvest activities occur outside the official

1 nesting and brood rearing season for those
2 plans.

3 “(i) DUTIES OF SECRETARY.—The Secretary shall—

4 “(1) establish and administer the BER;

5 “(2) authorize establishment of BER project
6 areas for the purposes of the BER described in sub-
7 section (a);

8 “(3) develop procedures—

9 “(A) to monitor the compliance of eligible
10 participants that have land enrolled in the BER
11 with the requirements of the BER;

12 “(B) to measure the performance of the
13 BER; and

14 “(C) to demonstrate whether the long-term
15 eligible dedicated energy crop production goals
16 are being achieved.

17 “(4) enter into a written contract with each eli-
18 gible participant that elects to participate in the
19 BER in a BER project area;

20 “(5) not enter into a contract under the BER
21 with an individual owner or operator unless the land
22 of the eligible participant is physically located in an
23 approved BER project area; and

24 “(6) provide all payments under the contract
25 directly to the eligible participant.

1 “(j) CONTRACTS.—A contract entered into between
2 the Secretary and an eligible participant under the BER
3 shall include, at a minimum, terms that cover—

4 “(1) requirements for the eligible participant in
5 carrying out the contract, including requirements de-
6 scribed in subsections (f), (g), and (l);

7 “(2) termination provisions;

8 “(3) payment terms and amounts to be pro-
9 vided on an annual basis;

10 “(4) the sales or transfer of contract acreage;

11 “(5) the modification of the contract;

12 “(6) the maximum quantity of contract acreage
13 and an estimated schedule for how much eligible
14 cropland will be enrolled each contract year; and

15 “(7) any additional terms the Secretary con-
16 siders appropriate.

17 “(k) PAYMENTS.—

18 “(1) IN GENERAL.—The Secretary shall provide
19 payments directly to eligible participants who enter
20 into contracts described in subsection (j) in accord-
21 ance with such subsection.

22 “(2) ESTABLISHMENT PAYMENTS.—

23 “(A) IN GENERAL.—The Secretary shall
24 provide to an eligible participant who enters
25 into a BER contract an establishment payment

1 in an amount equal to the costs of establishing
2 an eligible dedicated energy crop on the con-
3 tract acreage covered by the contract.

4 “(B) ELIGIBLE ESTABLISHMENT PAY-
5 MENTS.—The costs for which an eligible owner
6 may receive an establishment payment under
7 this paragraph include—

8 “(i) the cost of seeds and stock; and

9 “(ii) the cost of planting the crop.

10 “(3) RENTAL PAYMENTS.—

11 “(A) IN GENERAL.—The Secretary shall
12 make annual rental payments to an eligible par-
13 ticipant who enters into a BER contract.

14 “(B) PERIOD.—An eligible participant
15 shall receive rental payments for a period of not
16 more than 5 years after entering into a BER
17 contract with the Secretary on contract acreage.

18 “(C) REDUCTION.—The Secretary shall re-
19 duce rental payments under (A) by an amount
20 determined to be appropriate by the Secretary,
21 if an eligible dedicated energy crop is harvested
22 in accordance with subsection (g)(4).

23 “(I) INFORMATION SHARING.—

24 “(1) IN GENERAL.—Owners and operators of a
25 farm entering into a contract with the Secretary

1 under this section shall agree to make available to
2 the Secretary, or to an institution of higher edu-
3 cation or other entity designated by the Secretary,
4 such information as the Secretary considers to be
5 appropriate to promote the production of bioenergy
6 crops and the development of biorefinery technology;
7 and

8 “(2) BEST PRACTICES DATABASE.—Subject to
9 section 1770 of the Food Security Act of 1985 (7
10 U.S.C. 2276), the Secretary shall make available to
11 the public in a database format the best practices in-
12 formation developed by the Secretary in providing
13 bioenergy assistance under this section.

14 “(m) PAYMENTS FOR COLLECTING, HARVESTING,
15 STORING, AND TRANSPORTING BIOMASS PRODUCED ON
16 BER CONTRACT ACREAGE, AGRICULTURAL WASTE BIO-
17 MASS, AND SUSTAINABLY-HARVESTED AGRICULTURAL
18 AND FOREST RESIDUES.—

19 “(1) IN GENERAL.—Subject to paragraph (2),
20 the Secretary may provide matching payments at a
21 rate of \$1 for every \$1 per ton provided by the bio-
22 energy facility, in an amount equal to not more than
23 \$45 per ton for a period of two years—

24 “(A) to eligible participants for biomass
25 produced on BER contract acreage in exchange

1 for a reduction of the annual payment issued
2 under subsection (k)(3), as determined by the
3 Secretary;

4 “(B) to any producer of agricultural waste
5 biomass or sustainably-harvested agricultural
6 and forest residues in the United States for the
7 agricultural waste or residue; and

8 “(C) for residue collected as a result of the
9 removal of noxious and invasive species, in ac-
10 cordance with methods approved by the Sec-
11 retary.

12 “(2) FOREST LAND OWNER ELIGIBILITY.—
13 Owners of forest land shall be eligible to receive pay-
14 ments under this subsection only if such owners are
15 acting pursuant to a forest stewardship plan.

16 “(n) FUNDING.—Of the funds of the Commodity
17 Credit Corporation, the Secretary shall use to carry out
18 this section such sums as are necessary for each of fiscal
19 years 2008 through 2012.”.

20 **SEC. 9020. FOREST BIOMASS FOR ENERGY.**

21 Title IX of the Farm Security and Rural Investment
22 Act of 2002 (7 U.S.C. 8101 et seq.) is further amended
23 by adding at the end the following new section:

1 **“SEC. 9018. FOREST BIOMASS FOR ENERGY.**

2 “(a) IN GENERAL.—The Secretary of Agriculture,
3 through the Forest Service, shall conduct a competitive
4 research and development program to encourage use of
5 forest biomass for energy.

6 “(b) ELIGIBLE ENTITIES.—Entities eligible to com-
7 pete under this program include the Forest Service
8 (through Research and Development), other Federal agen-
9 cies, State and local governments, federally recognized In-
10 dian tribes, land grant colleges and universities, and pri-
11 vate entities.

12 “(c) PRIORITY FOR PROJECT SELECTION.—The Sec-
13 retary shall give priority to projects that—

14 “(1) develop technology and techniques to use
15 low value forest biomass, such as byproducts of for-
16 est health treatments and hazardous fuels reduction,
17 for the production of energy;

18 “(2) develop processes that integrate production
19 of energy from forest biomass into biorefineries or
20 other existing manufacturing streams;

21 “(3) develop new transportation fuels from for-
22 est biomass; and

23 “(4) improve the growth and yield of trees in-
24 tended for renewable energy production.

25 “(d) FUNDING.—Of the funds of the Commodity
26 Credit Corporation, the Secretary shall make available to

- 1 carry out this section \$15,000,000 for each of fiscal years
- 2 2008 through 2012.”.

AMENDMENT TO H.R. 2419**OFFERED BY M. .**

At the end of the bill, add the following:

1 **TITLE XII—PREVENTION OF TAX**
2 **TREATY EXPLOITATION TO**
3 **EVADe UNITED STATES TAX-**
4 **ATION**

5 **SEC. 12001. LIMITATION ON TREATY BENEFITS FOR CER-**
6 **TAIN DEDUCTIBLE PAYMENTS.**

7 (a) IN GENERAL.—Section 894 of the Internal Rev-
8 enue Code of 1986 (relating to income affected by treaty)
9 is amended by adding at the end the following new sub-
10 section:

11 “(d) LIMITATION ON TREATY BENEFITS FOR CER-
12 TAIN DEDUCTIBLE PAYMENTS.—

13 “(1) IN GENERAL.—In the case of any deduct-
14 ible related-party payment, the amount of any with-
15 holding tax imposed under chapter 3 (and any tax
16 imposed under subpart A or B of this part) with re-
17 spect to such payment shall not be less than the
18 amount which would be imposed if the payment were
19 made directly to the foreign parent corporation (tak-
20 ing into account any income tax treaty between the

1 United States and the country in which the foreign
2 parent corporation is resident).

3 “(2) DEDUCTIBLE RELATED-PARTY PAY-
4 MENT.—For purposes of this subsection, the term
5 ‘deductible related-party payment’ means any pay-
6 ment made, directly or indirectly, by any person to
7 any other person if the payment is allowable as a de-
8 duction under this chapter and both persons are
9 members of the same foreign controlled group of en-
10 tities.

11 “(3) FOREIGN CONTROLLED GROUP OF ENTI-
12 TIES.—For purposes of this subsection—

13 “(A) IN GENERAL.—The term ‘foreign
14 controlled group of entities’ means a controlled
15 group of entities the common parent of which
16 is a foreign corporation.

17 “(B) CONTROLLED GROUP OF ENTITIES.—
18 The term ‘controlled group of entities’ means a
19 controlled group of corporations as defined in
20 section 1563(a)(1), except that—

21 “(i) ‘more than 50 percent’ shall be
22 substituted for ‘at least 80 percent’ each
23 place it appears therein, and

1 “(ii) the determination shall be made
2 without regard to subsections (a)(4) and
3 (b)(2) of section 1563.

4 A partnership or any other entity (other than a
5 corporation) shall be treated as a member of a
6 controlled group of entities if such entity is con-
7 trolled (within the meaning of section
8 954(d)(3)) by members of such group (includ-
9 ing any entity treated as a member of such
10 group by reason of this sentence).

11 “(4) FOREIGN PARENT CORPORATION.—For
12 purposes of this subsection, the term ‘foreign parent
13 corporation’ means, with respect to any deductible
14 related-party payment, the common parent of the
15 foreign controlled group of entities referred to in
16 paragraph (3)(A).

17 “(5) REGULATIONS.—The Secretary may pre-
18 scribe such regulations or other guidance as are nec-
19 essary or appropriate to carry out the purposes of
20 this subsection, including regulations or other guid-
21 ance which provide for—

22 “(A) the treatment of two or more persons
23 as members of a foreign controlled group of en-
24 tities if such persons would be the common par-

1 ent of such group if treated as one corporation,
2 and

3 “(B) the treatment of any member of a
4 foreign controlled group of entities as the com-
5 mon parent of such group if such treatment is
6 appropriate taking into account the economic
7 relationships among such entities.”.

8 (b) EFFECTIVE DATE.—The amendment made by
9 this section shall apply to payments made after the date
10 of the enactment of this Act.

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. HOYER OF MARYLAND**

At the end of title XI, add the following new section:

1 **SEC. 1331_. PREVENTION AND INVESTIGATION OF PAY-**
2 **MENT AND FRAUD AND ERROR.**

3 Section 1113(k) of the Right to Financial Privacy
4 Act of 1978 (12 U.S.C. 3413(k)) is amended to read as
5 follows:

6 “(k) DISCLOSURE NECESSARY FOR PROPER ADMIN-
7 STRATION OF PROGRAMS OF CERTAIN GOVERNMENT AU-
8 THORITIES.—

9 “(1) DISCLOSURE TO GOVERNMENT AUTHORI-
10 TIES.—Nothing in this title shall apply to the disclo-
11 sure by the financial institution of the financial
12 records of any customer to the Department of the
13 Treasury, the Social Security Administration, the
14 Railroad Retirement Board, or any other Govern-
15 ment authority that certifies, disburses, or collects
16 payments, when the disclosure of such information is
17 necessary to, and such information is used solely for
18 the purposes of—

1 “(A) the proper administration of section
2 1441 of the Internal Revenue Code of 1986 (26
3 U.S.C. 1441);

4 “(B) the proper administration of title II
5 of the Social Security Act (42 U.S.C. 401 et
6 seq.);

7 “(C) the proper administration of the Rail-
8 road Retirement Act of 1974 (45 U.S.C. 231 et
9 seq.);

10 “(D) the verification of the identify of any
11 person in connection with the issuance of a
12 Federal payment or collection of funds by a
13 Government authority; or

14 “(E) the investigation or recovery of an
15 improper Federal payment or collection of
16 funds, or an improperly negotiated Treasury
17 check.

18 “(2) LIMITATIONS ON SUBSEQUENT DISCLO-
19 SURE.—Notwithstanding any other provision of law,
20 any request authorized by paragraph (1), and the in-
21 formation contained therein, may be used by the fi-
22 nancial institution and its agents solely for the pur-
23 pose of providing the customer’s financial records to
24 the Government authority requesting the informa-
25 tion and shall be barred from redisclosure by the fi-

1 nancial institution or its agents. Any Government
2 authority receiving information pursuant to para-
3 graph (1) may not disclose or use the information
4 except for the purposes set forth in such para-
5 graph.”.

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. PETERSON OF MINNESOTA**

(Page and line numbers refer to the reported bill)

[COMMODITY TITLE]

In section 1103(f)(3), strike subparagraph (B) and
insert the following new subparagraph:

1 (B) the final partial payment shall be
2 made the later of the following:

3 (i) As soon as practicable after the
4 end of the 12-month marketing year for
5 the covered commodity.

6 (ii) October 1 of the fiscal year start-
7 ing in the same calendar year as the end
8 of the marketing year.

In section 1104(h)(3), strike subparagraph (B) and
insert the following new subparagraph:

9 (B) the final partial payment shall be
10 made the later of the following:

11 (i) As soon as practicable after the
12 end of the 12-month marketing year for
13 the covered commodity.

1 (ii) October 1 of the fiscal year start-
2 ing in the same calendar year as the end
3 of the marketing year.

At the end of section 1407, add the following new
subsection:

4 (d) REFUND OF ASSESSMENTS ON IMPORTED DAIRY
5 PRODUCTS.—Section 113(g) of the Dairy Production Sta-
6 bilization Act of 1983 (7 U.S.C. 4504(g)) is amended by
7 adding at the end the following:

8 “(7) REFUND OF ASSESSMENTS ON CERTAIN
9 IMPORTED PRODUCTS.—

10 “(A) IN GENERAL.—An importer is enti-
11 tled to a refund of any assessment paid under
12 this subsection on imported dairy products im-
13 ported under a contract entered into prior to
14 July 26, 2007.

15 “(B) EXPIRATION.—Refunds under para-
16 graph (A) shall expire one year after the date
17 of the enactment of the Farm, Nutrition, and
18 Bioenergy Act of 2007.”.

Page 116, line 25, strike “16” and insert “18”.

Page 117, line 19, strike “(2)(E)” and insert
“(2)(C)”.

Page 117, line 24, strike “institution” and “institutions”.

Page 150, line 18, strike “2012” and insert “2011”.

[CONSERVATION TITLE]

Page 157, beginning line 22, strike subparagraph (C) relating to annual survey funding.

In section 2101, add at the end the following new subsection:

1 (j) EXCEPTIONS TO EARLY TERMINATION.—Section
2 1235(e)(2) of the Food Security Act of 1985 (16 U.S.C.
3 3835(e)(2)) is amended by adding at the end the following
4 new subparagraph:

5 “(D) Land enrolled under continuous
6 signup.”.

In section 2102(e), strike paragraph (3) and insert the following new paragraph:

7 (3) by striking subsection (f) and inserting the
8 following new subsection:

9 “(f) COMPENSATION.—Compensation for easements
10 acquired by the Secretary under this subchapter shall be
11 made in cash in such amount as agreed to and specified
12 in the easement agreement. Lands may be enrolled
13 through the submission of bids under a procedure estab-

1 lished by the Secretary. Commendation may be provided
2 in not less than 5, nor more than 30, annual payments
3 of equal or unequal size, as agreed to by the owner and
4 the Secretary based on the following option that results
5 in the lowest amount of compensation to be paid by the
6 Secretary:

7 “(1) A percentage of the fair market value
8 based on the Uniform Standards for Professional
9 Appraisals Procedures, as determined by the Sec-
10 retary or a percentage of the market value deter-
11 mined by an area-wide market survey.

12 “(2) A geographic cap, prescribed in regulations
13 issued by the Secretary.

14 “(3) The offer made by the landowner.”; and

Page 194, line 10, strike “or”.

Page 194, line 11, strike the period and insert “;
or”.

Page 194, after line 11, insert the following new
clause:

15 “(iv) improve watershed health.”.

Page 206, after line 2, insert the following new sub-
section (and redesignate the subsequent subsection as
subsection (e)):

1 “(d) AIR QUALITY.—Of the funds made available
2 under subsection (e)(1), the Secretary shall use
3 \$10,000,000 for fiscal year 2008, \$15,000,000 for fiscal
4 year 2009, \$30,000,000 for fiscal year 2010, \$40,000,000
5 for fiscal year 2011, and \$55,000,000 for fiscal year 2012
6 to support air quality improvements to help producers
7 meet State and local regulatory requirements related to
8 air quality. Notwithstanding the requirements under sub-
9 sections (a) and (b), these funds shall be made available
10 to a State on the basis of air quality concerns facing that
11 producers in that State. The funds made available shall
12 be used to provide cost-share and incentive payments to
13 producers.”.

Page 206, beginning line 24, strike paragraph (4).

Page 209, line 17, insert after “the Everglades,” the following: “the Sacramento River watershed,”.

Page 219, line 23, strike “or organizational purpose”.

Page 220, line 2, strike “and technical ability”.

Page 220, beginning line 9, strike subparagraph (C).

Page 221, beginning line 1, strike subparagraphs (F) and (G).

Page 221, line 12, insert after “eligible entity,” the following: “other than a certified State,”.

Page 222, line 19, strike “preserve” and insert “enforce”.

Page 238, line 13, strike “\$1,500,000,000” and insert “\$1,250,000,000”.

Page 264, line 20, strike “section 501(c)(2)” and insert “section 501(c)(3)”.

At the end of title II (page 272, after line 2), add the following new section:

1 **SEC. 2504. PILOT PROGRAM FOR FOUR-YEAR CROP ROTA-**
2 **TION FOR PEANUTS.**

3 (a) **CONTRACT AUTHORITY.**—The Secretary of Agri-
4 culture shall enter into a contract with a peanut producer
5 under which the producer will implement a four-year crop
6 rotation for peanuts.

7 (b) **CONTRACT PAYMENTS.**—Under the contract, the
8 Secretary shall pay to the producer a contract implemen-
9 tation payment, in an amount determined to be appro-
10 priate by the Secretary.

11 (c) **FUNDING.**—For each of fiscal years 2008 through
12 2012, the Secretary shall use the funds, facilities, and au-
13 thorities of the Commodity Credit Corporation to carry
14 out the provisions under this section, except that funding

1 of the pilot program may not exceed \$10,000,000 in each
2 of such fiscal years.

[TRADE TITLE]

Page 274, strike line 1 and all that follows through
line 4 and insert the following:

3 (e) FOOD AID CONSULTATIVE GROUP.—

4 (1) REPORT TO CONGRESS.—Section 205 of the
5 Agricultural Trade Development and Assistance Act
6 of 1954 (7 U.S.C. 1725) is amended—

7 (A) by redesignating subsection (f) as sub-
8 section (g); and

9 (B) by inserting after subsection (e) the
10 following new subsection:

11 “(f) REPORT TO CONGRESS.—

12 “(1) IN GENERAL.—Not later than 180 days
13 after the date of the enactment of the Farm, Nutri-
14 tion, and Bioenergy Act of 2007, and annually
15 thereafter until December 31, 2012, the Adminis-
16 trator of the United States Agency for International
17 Development, in close consultation with the Group,
18 shall submit to the appropriate congressional com-
19 mittees a report on efforts taken by the United
20 States Agency for International Development and
21 the Department of Agriculture to develop a strategy

1 under this section to achieve an integrated and effec-
2 tive food assistance program.

3 “(2) APPROPRIATE CONGRESSIONAL COMMIT-
4 TEES DEFINED.—In this subsection, the term ‘ap-
5 propriate congressional committees’ means—

6 “(A) the Committee on Foreign Affairs
7 and the Committee on Agriculture of the House
8 of Representatives; and

9 “(B) the Committee on Agriculture, Nutri-
10 tion, and Forestry of the Senate.”.

11 (2) TERMINATION.—Such section is further
12 amended in subsection (g) (as redesignated by para-
13 graph (1)(A)) by striking “2007” and inserting
14 “2012”.

Page 275, line 14, insert “paragraph” before “(1)”.

Page 275, after line 14, insert the following new
paragraph:

15 “(3) GOVERNMENT ACCOUNTABILITY OFFICE.—
16 Not later than 270 days after the date of the sub-
17 mission of the report under paragraph (2), the
18 Comptroller General of the United States shall sub-
19 mit to the appropriate congressional committees a
20 report that—

1 “(A) reviews and comments on the report
2 under paragraph (2); and
3 “(B) provides recommendations regarding
4 any additional actions necessary to improve the
5 monitoring and evaluation of assistance pro-
6 vided under this title.”.

Page 275, line 15, strike “(3)” and insert “(4)”.

Page 275, line 21, strike “(4)” and insert “(5)”.

Page 276, line 3, strike the closing quotation marks
and the period at the end.

Page 276, after line 3, insert the following:

7 “(6) APPROPRIATE CONGRESSIONAL COMMIT-
8 TEES DEFINED.—In this subsection, the term ‘ap-
9 propriate congressional committees’ means—
10 “(A) the Committee on Foreign Affairs
11 and the Committee on Agriculture of the House
12 of Representatives; and
13 “(B) the Committee on Agriculture, Nutri-
14 tion, and Forestry of the Senate.”.

Page 276, after line 12, insert the following:

15 (1) by striking “Funds” and inserting “(A) IN
16 GENERAL.—Funds”;

Page 276, line 13, strike “(1)” and insert “(2)”.

Page 276, line 14, strike “and”.

Page 276, line 15, strike “(2)” and insert “(3)”.

Page 276, line 16, strike the period at the end and
insert “; and”.

Page 276, after line 16, insert the following:

1 (4) by adding at the end the following new sub-
2 paragraph:

3 “(B) ADDITIONAL PREPOSITIONING
4 SITES.—

5 “(i) FEASIBILITY ASSESSMENT.—On
6 or after the date of the enactment of the
7 Farm, Nutrition, and Bioenergy Act of
8 2007, the Administrator is authorized to
9 carry out assessments for the establish-
10 ment of not less than two sites to deter-
11 mine the feasibility of and costs associated
12 with using such sites for the purpose of
13 storing and handling agricultural commod-
14 ities for prepositioning in foreign countries.

15 “(ii) ESTABLISHMENT OF SITES.—
16 Based on the results of the assessments
17 carried out under clause (i), the Adminis-
18 trator is authorized to establish additional

1 sites for pre-positioning in foreign coun-
2 tries.

3 “(iii) AUTHORIZATION OF APPROPRIA-
4 TIONS.—To carry out this subparagraph,
5 there are authorized to be appropriated to
6 the Administrator such sums as may be
7 necessary for each of the fiscal years 2008
8 through 2012.”.

Page 277, after line 16, insert the following:

9 (l) AUTHORIZATION OF APPROPRIATIONS.—Sub-
10 section (a) of section 412 of the Agricultural Trade Devel-
11 opment and Assistance Act of 1954 (7 U.S.C. 1736f) is
12 amended to read as follows:

13 “(a) AUTHORIZATION OF APPROPRIATIONS.—For
14 each of the fiscal years 2008 through 2012, there are au-
15 thorized to be appropriated to the President—

16 “(1) such sums as may be necessary to carry
17 out the concessional credit sales program established
18 under title I,

19 “(2) \$2,500,000,000 to carry out the emer-
20 gency and non-emergency food assistance programs
21 under title II, and

22 “(3) such sums as may be necessary to carry
23 out the grant program established under title III,

1 including such amounts as may be required to make pay-
2 ments to the Commodity Credit Corporation to the extent
3 the Commodity Credit Corporation is not reimbursed
4 under the programs under this Act for the actual costs
5 incurred or to be incurred by such Corporation in carrying
6 out such programs.”.

Page 277, strike line 17 and all that follows through
line 20 and insert the following:

7 (m) MICRONUTRIENT FORTIFICATION PROGRAMS.—

8 (1) PURPOSE.—Subsection (a)(2)(C) of section
9 415 of the Agricultural Trade Development and As-
10 sistance Act of 1954 (7 U.S.C. 1736g-2) is amend-
11 ed—

12 (A) by striking “using the same mecha-
13 nism that was used to assess the micronutrient
14 fortification program in” and inserting “uti-
15 lizing recommendations from”; and

16 (B) by striking “with funds from the Bu-
17 reau for Humanitarian Response of the United
18 States Agency for International Development”
19 and inserting “with implementation by an inde-
20 pendent entity with proven impartiality and a
21 mechanism that incorporates the range of
22 stakeholders implementing programs under title

1 II of this Act as well as other food assistance
2 industry experts”.

3 (2) TERMINATION OF AUTHORITY.—Subsection
4 (d) of such section is amended by striking “2007”
5 and inserting “2012”.

Page 277, line 21, strike “(m)” and insert “(n)”.

Page 278, line 19, strike “(n)” and insert “(o)”.

Page 279, after line 10, insert the following new
clause (and redesignate the subsequent clause as clause
(iii)):

6 (ii) in paragraph (1), by striking “3-
7 year period” and inserting “6-month pe-
8 riod”.

Page 281, beginning line 9, strike subsection (c).

Page 284, strike line 6 and all that follows through
line 10 and insert the following:

9 **SEC. 3010. FOREIGN MARKET DEVELOPMENT COOPERATOR**
10 **PROGRAM.**

11 (a) FOREIGN MARKET DEVELOPMENT COOPERATOR
12 PROGRAM.—Subsection (c) of section 702 of the Agricul-
13 tural Trade Act of 1978 (7 U.S.C. 5722) is amended by
14 striking “Committee on International Relations” and in-
15 serting “Committee on Foreign Affairs”.

1 (b) FUNDING.—Subsection (a) of section 703 of such
2 Act (7 U.S.C. 5723) is amended by striking “2002
3 through 2007” and inserting “2008 through 2012”.

Page 285, line 14, strike “International Relations”
and insert “Foreign Affairs”.

Page 287, after line 7, insert the following:

4 **SEC. 3015. REPORT ON EFFORTS TO IMPROVE PROCURE-**
5 **MENT PLANNING.**

6 (a) REPORT REQUIRED.—Not later than 90 days
7 after the date of the enactment of this Act, the Adminis-
8 trator of the United States Agency for International De-
9 velopment and the Secretary of Agriculture shall submit
10 to the appropriate congressional committees a report on
11 efforts taken by both the United States Agency for Inter-
12 national Development and the Department of Agriculture
13 to improve planning for food and transportation procure-
14 ment, including efforts to eliminate bunching of food pur-
15 chases.

16 (b) CONTENTS.—The report required under sub-
17 section (a) should include, among other things, a descrip-
18 tion of efforts taken to—

19 (1) improve coordination of food purchases by
20 the United States Agency for International Develop-
21 ment and the Department of Agriculture;

1 (2) increase flexibility in procurement sched-
2 ules;

3 (3) increase utilization of historical analyses
4 and forecasting; and

5 (4) improve and streamline legal claims proc-
6 esses for resolving transportation disputes.

7 (c) APPROPRIATE CONGRESSIONAL COMMITTEES DE-
8 FINED.—In this section, the term “appropriate congres-
9 sional committees” means—

10 (1) the Committee on Foreign Affairs and the
11 Committee on Agriculture of the House of Rep-
12 resentatives; and

13 (2) the Committee on Agriculture, Nutrition,
14 and Forestry of the Senate.

15 **SEC. 3016. INTERNATIONAL DISASTER ASSISTANCE UNDER**
16 **THE FOREIGN ASSISTANCE ACT OF 1961.**

17 For each of the fiscal years 2008 through 2012, of
18 the amounts made available to carry out section 491 of
19 the Foreign Assistance Act of 1961 (22 U.S.C. 2292), not
20 less than \$40,000,000 for each such fiscal year is author-
21 ized be made available for the purposes of famine preven-
22 tion and relief under such section.

[NUTRITION TITLE]

Page 301, beginning on line 18, strike “and Nutri-
tion Act” and insert “Stamp”.

Page 303, line 14, insert “a” after “in the event of”.

Page 306, line 10, insert “(or fails to address)” after “addresses”.

Page 310, line 25, strike “after paragraph” and insert “inserting after subsection”.

Page 312, line 12, strike “redeem,” and insert “redeem”.

Page 319, line 17, strike “verification of” and insert “verification or”.

Page 323, strike lines 4 and 5, and insert the following:

1 (ii) by striking “finding of a violation
2 and the” and inserting “finding of a viola-
3 tion,”.

Page 323, line 22, strike “years.” and insert “years”.

Page 324, line 21, strike lines 19 through 21, and insert the following:

4 “(c) TREATMENT OF DISQUALIFICATION AND PEN-
5 ALTY DETERMINATIONS.—The action”.

Page 325, line 24, insert “is” before “not upheld”.

Page 330, line 19, strike “low income” and insert “low-income”.

Page 332, line 14, insert “and particularly children, as well as the feasibility of replicating these programs in other locations” after “ persons”.

Page 333, after line 22, insert the following:

1 “(iv) strategies to improve the nutri-
2 tional value of food served during school
3 hours and during after-school hours;
4 “(v) innovative ways to provide sig-
5 nificant improvement to the health and
6 wellness of children;”.

Page 333, line 23, strike “(iv)” and insert “(vi)”.

Page 336, line 16, strike “paragraph” and insert “subsection”.

Page 340, line 16, strike “Action” and insert “Act”.

Page 345, line 22, strike “(a) AMENDMENT.—”.

[CREDIT TITLE]

In section 304(c)(2)(B) of the Consolidated Farm and Rural Development Act, as proposed to be added by section 5001 of the bill, strike “\$1,000,000” and insert “\$1,000,000,000”.

In section 310F(b)(1)(C) of the Consolidated Farm and Rural Development Act, as proposed to be added by section 5004 of the bill, strike “be at” and insert “be, at”.

At the end of subtitle A of title V, insert the following:

1 **SEC. 5005. LOANS TO PURCHASERS OF HIGHLY**
2 **FRACTIONED LANDS.**

3 Section 1 of Public Law 91–229 (25 U.S.C. 488) is
4 amended by adding at the end the following: “The Sec-
5 retary of Agriculture may make and insure loans as pro-
6 vided in section 309 of the Consolidated Farm and Rural
7 Development Act to eligible purchasers of highly
8 fractionated land pursuant to section 204(c) of the Indian
9 Land Consolidation Act. Section 4 of this Act shall not
10 apply to trust or restricted tribal or tribal corporation
11 property mortgaged pursuant to the preceding sentence.”.

In section 1.9(4) of the Farm Credit Act of 1971, as proposed to be added by section 5031(a)(1)(C) of the bill, strike “under this title to a person” and insert “to a person made eligible under this paragraph if the person is”.

In section 2.4(a)(4) of the Farm Credit Act of 1971, as proposed to be added by section 5031(b)(3) of the bill,

strike “under this title to a person” and insert “to a person made eligible under this paragraph if the person is”.

Strike section 5040.

[RURAL DEVELOPMENT TITLE]

In section 6009(a)(3), strike “subparagraphs (D) and (F)” and insert “subparagraph (D)”, and strike “and” after the semicolon.

In section 6009(a)(4), strike “adding at the end” and insert “inserting after subparagraph (D) (as so redesignated)”, and strike the period after the subparagraph (E) proposed to be added and insert “; and”.

In subparagraph (E) of section 310B(e)(5) of the Consolidated Farm and Rural Development Act, as proposed to be added by section 6009(a)(4) of the bill, strike the period and insert “; and”.

At the end of section 6009(a), insert the following:

- 1 (5) in subparagraph (F), by striking “greater
- 2 than” the 1st place it appears.

In section 310B(i)(2) of the Consolidated Farm and Rural Development Act, as proposed to be added by section 6011 of the bill, strike “the” after “help”.

In section 601(c)(3)(A)(ii) of the Rural Electrification Act of 1936, as proposed to be added by section 6023(b)(2) of the bill, strike “services” and insert “service”.

In section 601(l)(4)(A) of the Rural Electrification Act of 1936, as proposed to be added by section 6023(i) of the bill, strike “(b)” each place it appears and insert “(d)”.

[RESEARCH TITLE]

Page 456, line 10, strike “(c)” and insert “(e)”.

Page 456, lines 14 and 15, strike “or otherwise administered”.

Page 456, lines 17 and 18, strike “except as provided under subsection (a)(14)”.

Page 458, line 7, insert “and universities” after “colleges”.

Page 459, line 2, insert “AND UNIVERSITY” before the period.

Page 459, line 3, insert “and university” before the quotation marks.

Page 459, line 4, strike “a” and insert “an”.

Page 459, line 5, strike “as defined” and all that follows through line 7 and insert “; and”.

Page 459, strike lines 8 through 10, and insert the following:

- 1 (b) offers associate, bachelor’s, or other ac-
- 2 credited degree programs in agricultural related
- 3 fields, as determined by the Secretary.

Page 470, lines 9 and 10, strike “(8) and (12)” and insert “(7) and (11)”.

Page 474, line 17, insert “for Research, Education, and Economics” after “Secretary”.

Page 477, line 21, insert “, except that section 401(b)(3) of such Act shall not be repealed and shall remain in effect” before the period.

Page 477, line 24, strike “(c)” and insert “(d)”.

Page 495, line 10, insert “to” before “acquire”.

Page 497, line 10, strike “as defined” and all that follows through line 12, and insert “; and”.

Page 497, line 15, insert “, as determined by the Secretary” before the period.

Page 498, line 17, strike “of Agriculture”.

Page 499, lines 13 and 14, strike “of the Treasury”.

Page 500, line 7, strike “section” and insert “paragraph”.

Page 501, line 24, strike “of Agriculture”.

Page 502, line 4, strike “of Agriculture”.

Page 502, line 12, insert “EXTENSION” after “(b)”.

Page 502, line 18, strike “section 4” and insert “subparagraph (D)”.

Page 504, line 3, insert “, as defined in section 1456 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3289)” after “universities”.

Page 504, line 7, insert “, as defined in section 1456 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3289)” after “universities”.

Page 504, line 11, insert “, as defined in section 1456 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3289)” after “universities”.

Page 506, line 1, strike “**RESEARCH FACILITIES**” and insert “**ASSISTANCE PROGRAMS**”.

Page 507, after line 6, insert the following new sections:

1 **SEC. 7234. HISPANIC SERVING INSTITUTIONS.**

2 The text of section 1404 of the Research Act of 1977
3 is amended to read as follows: “The term ‘Hispanic Serv-
4 ing Institution’ has the meaning given that term in section
5 502(a)(5) of the Higher Education Act of 1965 (20 U.S.C.
6 1101a(a)(5)).”.

7 **SEC. 7235. SPECIALTY CROPS POLICY RESEARCH INSTI-**
8 **TUTE.**

9 Section 1419A of the National Agricultural Research,
10 Extension, and Teaching Policy Act of 1977 (7 U.S.C.
11 3155) is amended by adding at the end the following:

12 “(e) SPECIALTY CROPS POLICY RESEARCH INSTI-
13 TUTE.—

14 “(1) ESTABLISHMENT.—The Food Agricultural
15 Policy Research Institute shall establish a satellite
16 institute, called the Specialty Crops Policy Research
17 Institute, hereinafter referred to as the Institute, at
18 accredited research universities within States with
19 significant specialty crop industries to fulfill the ob-
20 jectives described in subsection (e)(3) of this section.

21 “(2) MANAGEMENT.—The Institute shall be co-
22 ordinated and managed by an appointed university
23 and will have the discretion to coordinate and facili-

1 tate the Institute's economic and policy research ac-
2 tivities and those of additional member universities
3 and institutions.

4 “(3) INSTITUTE OBJECTIVES.—Consistent with
5 the provisions of subsections (a) and (c) of this sec-
6 tion, the Institute shall—

7 “(A) produce and disseminate analysis of
8 the specialty crop sector, including the impact
9 of changes in domestic and international mar-
10 kets, production, new product technologies,
11 web-based risk management tools, alternative
12 policies and macroeconomic conditions on spe-
13 cialty crop production, use, farm and retail
14 prices, and farm income and financial stability
15 from a national, regional, and farm-level per-
16 spective; and

17 “(B) produce and disseminate an annual
18 review of the economic state of the specialty
19 crop industry nationally, regionally, and by-
20 state.

21 “(4) AUTHORIZATION OF APPROPRIATION.—
22 There are authorized to be appropriated such sums
23 as are necessary in each fiscal year through 2012 to
24 carry out this section.”.

Page 521, line 12, insert “section 103 of the Agricultural Research, Extension, and Education Reform Act of 1998” after “with”.

Page 522, line 19, insert “note” after “1621”.

Page 523, line 13, strike “and”.

Page 523, after line 14, insert the following:

- 1 (G) policy and marketing; and
- 2 (H) specialty crop pollination;

Page 531, line 12, strike “and”.

Page 531, line 14, strike the period and insert “; and”.

Page 531, after line 14, insert the following:

- 3 (3) in subsection (c), by striking “such sums
- 4 may be used to pay” and all that follows through
- 5 “work.”.

Page 531, strike lines 15 through 25.

Page 533, strike “1444 and”.

Page 541, strike lines 11 through 17.

[FORESTRY TITLE]

Page 548, beginning line 4, strike subparagraph (E).

Page 549, beginning line 1, strike clause (viii) and insert the following new clause:

1 “(viii) A representative from a State
2 Technical Committee established under
3 section 1261 of the Food Security Act of
4 1985 (16 U.S.C. 3861).”.

Page 549, line 24, strike “sections 8005 and 8006” and insert “sections 8006 and 8007”.

Page 551, line 14, strike “three” and insert “3”.

Page 553, line 12, strike “\$17,000,000” and insert “\$10,000,000”.

Page 557, after line 2, insert the following new subsection (and redesignate the subsequent subsection as subsection (d)):

5 (c) DEFINITION OF HISPANIC-SERVING INSTITU-
6 TION.—In this section, the term “Hispanic-serving institu-
7 tion” has the meaning given that term in section
8 502(a)(5) of the Higher Education Act of 1965 (20 U.S.C.
9 1101a(a)(5)).

[ENERGY TITLE]

Page 564, after line 19 insert the following new paragraph:

1 (5) in paragraph (2)(B) of subsection (f) (as so
2 redesignated)—

3 (A) in clause (viii), by striking “and” at
4 the end;

5 (B) in clause ix, by striking “approaches.”
6 and inserting “approaches; and”; and

7 (C) by adding at the end the following new
8 clause:

9 “(x) whether the impact the distribu-
10 tion of funds would have on existing manu-
11 facturing and other facilities that utilize
12 similar feedstocks would be minimal.”.

Page 597, after line 25 insert the following new paragraph:

13 (E) by adding at the end the following new
14 paragraph:

15 “(8) RENEWAL OF CONTRACTS.—When consid-
16 ering the renewal of a contract under this section,
17 the Secretary shall review such contract to deter-
18 mine whether the production of bioenergy at the fa-
19 cility under contract is economically viable and re-

1 consider the need for the contract based on that de-
2 termination.”.

In section 9002, strike subsection (d) and insert the
following new subsection:

3 (d) AUTHORIZATION OF APPROPRIATIONS.—Para-
4 graph (1) of section 9002(k) of the Farm Security and
5 Rural Investment Act of 2002 (7 U.S.C. 8102(k)) is
6 amended to read as follows:

7 “(1) AUTHORIZATION OF APPROPRIATIONS.—

8 “(A) FEDERAL PROCUREMENT.—There
9 are authorized to be appropriated \$1,000,000
10 for each of fiscal years 2008 through 2013 to
11 implement the provisions of this section other
12 than subsection (h).

13 “(B) LABELING.—There are authorized to
14 be appropriated \$1,000,000 for each of fiscal
15 years 2008 through 2013 to implement sub-
16 section (h) of this section.”.

In section 9002(f), strike paragraph (3).

Page 598, line 4, strike “Section” and insert:

17 (a) WESTERN INSULAR PACIFIC CENTER.—Section
18 9011(d) is amended by adding at the end the following
19 new paragraph:

1 “(6) WESTERN INSULAR PACIFIC CENTER.—A
2 western insular pacific center at the University of
3 Hawaii for the region of Alaska, Hawaii, Guam,
4 American Samoa, the Commonwealth of the North-
5 ern Mariana Islands, the Federated States of Micro-
6 nesia, the Republic of the Marshall Islands, and the
7 Republic of Palau.”.

8 (b) AUTHORIZATION OF APPROPRIATIONS.—Section
 Strike section 9014.

[HORTICULTURE TITLE]

 Section 10102 is amended by adding at the end the
 following new subsection:

9 (e) DEFINITION OF STATE.—Section 3(2) of the Spe-
10 cialty Crops Competitiveness Act of 2004 (Public Law
11 108-465; 7 U.S.C. 1621 note) is amended by striking
12 “and the Commonwealth of Puerto Rico” and inserting
13 “the Commonwealth of Puerto Rico, Guam, American
14 Samoa, the United States Virgin Islands, and the Com-
15 monwealth of the Northern Mariana Islands”.

 In section 209(e)(2) of the Agricultural Marketing
 Act of 1946, as proposed to be added by section 10108
 of the bill, strike “authorized” and insert “authorize”.

 In section 10201(j), strike “fo” and insert “of”.

In section 7407(b) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 5925c(b)), as amended by section 10302 of the bill, strike “of funds of the Commodity” and insert “of the funds of the Commodity”.

In the heading of section 10404, strike “**FARMERS’ MARKET PROMOTION PROGRAM**” and insert “**FARMER MARKETING ASSISTANCE PROGRAM**”.

Section 6(f)(1) of the Farmer-to-Consumer Direct Marketing Act of 1976, as added by section 10404 of the bill, is amended by striking “Secretary of Agriculture use” and inserting “Secretary of Agriculture shall use”.

Section 6(f)(1)(A) of the Farmer-to-Consumer Direct Marketing Act of 1976, as added by section 10404 of the bill, is amended by striking “fiscals year” and inserting “fiscal years”.

At the end of subtitle E of title X add the following new section:

1 **SEC. ____.** **HEALTHY FOOD URBAN ENTERPRISE DEVELOP-**
2 **MENT PROGRAM.**

3 (a) **PURPOSE.**—The purpose of this section is to sup-
4 port farm and ranch income by significantly enhancing a
5 producer’s share of the final retail product price through
6 improved access to competitive processing and distribution
7 systems which deliver affordable, locally and regionally

1 produced foods to consumers, and improve food access in
2 underserved communities.

3 (b) DEFINITIONS.—In this section:

4 (1) ELIGIBLE ENTITY.—The term “eligible enti-
5 ty” includes—

6 (A) a small or midsize processor, dis-
7 tributor, wholesaler, or retail food outlet;

8 (B) a group of producers operating as a le-
9 gally recognized marketing alliance;

10 (C) a producer-owned cooperative;

11 (D) a nonprofit organization;

12 (E) an economic development or commu-
13 nity development corporation;

14 (F) a unit of State or local government;

15 and

16 (G) an academic institution.

17 (2) INDIAN TRIBE.—The term “Indian tribe”
18 has the meaning given the term in section 4 of the
19 Indian Self-Determination and Education Assistance
20 Act (25 U.S.C. 450b).

21 (3) SECRETARY.—The term “Secretary” means
22 the Secretary of Agriculture.

23 (4) SOCIALLY DISADVANTAGED FARMER OR
24 RANCHER.—The term “socially disadvantaged farm-
25 er or rancher” has the meaning given the term in

1 section 355(e) of the Consolidated Farm and Rural
2 Development Act (7 U.S.C. 2003(e)).

3 (5) UNDERSERVED COMMUNITY.—The term
4 “underserved community” includes any community
5 that may have, as determined by the Secretary—

6 (A) limited access to affordable, healthy
7 foods, including fresh fruits and vegetables, in
8 grocery retail stores or farmer-to-consumer di-
9 rect markets;

10 (B) high incidences of diet-related diseases,
11 including obesity;

12 (C) high rates of hunger or food insecurity;
13 or

14 (D) severe or persistent poverty in urban
15 or rural communities, including Indian tribal
16 communities.

17 (c) GRANT PROGRAM.—

18 (1) ESTABLISHMENT.—The Secretary, acting
19 through the head of the market services branch of
20 the Agricultural Marketing Service, shall establish a
21 program under which the Secretary shall provide
22 grants, on a competitive basis, to eligible entities to
23 conduct enterprise feasibility studies (including stud-
24 ies of consumer preference), in accordance with the
25 purpose of this section.

1 (2) APPLICATION.—To be eligible to receive a
2 grant under this subsection, an eligible entity shall
3 submit to the Secretary an application at such time,
4 in such manner, and containing such information as
5 the Secretary may require.

6 (3) COORDINATION WITH OTHER AGENCIES.—
7 In carrying out the program under this subsection,
8 the Secretary shall coordinate, with respect to the
9 development of the program and reviews of grant
10 applications, with—

11 (A) the Cooperative State Research, Edu-
12 cation, and Extension Service; and

13 (B) the Rural Business Cooperative Serv-
14 ice.

15 (4) PRIORITY.—In providing grants under this
16 subsection, the Secretary shall give priority to appli-
17 cations with proposed projects that—

18 (A) include features effectively targeting
19 participation by socially disadvantaged farmers
20 or ranchers or beginning farmers or ranchers;

21 (B) increase employment opportunities in
22 underserved communities;

23 (C) support small and mid-sized farm via-
24 bility and increase farming opportunities; or

1 (D) establish and maintain satisfactory en-
2 vironmental and labor standards, including
3 worker protection.

4 (5) MAXIMUM AMOUNT.—The amount of a
5 grant provided under this subsection shall not exceed
6 \$250,000.

7 (6) TERM.—A grant provided under this sub-
8 section shall have a term of not more than 3 years.

9 (7) REPORTS.—

10 (A) IN GENERAL.—Each eligible entity
11 that receives a grant under this subsection shall
12 submit to the Secretary an annual report de-
13 scribing the results and progress of each feasi-
14 bility study to ensure sufficient progress is
15 achieved with respect to the goals of the
16 projects carried out by the eligible entity.

17 (B) PUBLIC AVAILABILITY.—The Secretary
18 shall ensure that any information contained in
19 a report under subparagraph (A) relating to
20 consumer preference or producer availability is
21 made available to the public.

22 (8) FUNDING.—There are authorized to be ap-
23 propriated such sums as are necessary for each of
24 fiscal years 2008 through 2012 to carry out this sec-
25 tion.

1 (d) GRANT PROGRAM REQUIREMENTS.—

2 (1) TECHNICAL ASSISTANCE AND OUTREACH.—

3 (A) IN GENERAL.—The Secretary shall—

4 (i) provide to the public information
5 relating to the grant programs under this
6 section; and

7 (ii) provide technical assistance to—

8 (I) socially disadvantaged farm-
9 ers or ranchers;

10 (II) Indian tribal organizations;

11 (III) low-income populations; and

12 (IV) other underserved commu-
13 nities and producers.

14 (B) SERVICE PROVIDERS.—In carrying out
15 subparagraph (A), the Secretary may enter into
16 contracts, on a competitive basis, with entities
17 that, as determined by the Secretary—

18 (i) demonstrate experience in serving
19 socially disadvantaged farmers or ranchers
20 and other underserved communities and
21 producers;

22 (ii) include, in the governance struc-
23 ture of the entity, 2 or more members rep-
24 resenting the targeted communities served
25 by the entity; and

1 (iii) will share information developed
2 or used by the entity with—

3 (I) researchers;

4 (II) practitioners; and

5 (III) other interested parties.

6 (2) LIMITATIONS.—For purposes of the pro-
7 grams under this section, the Secretary—

8 (A) shall not give preference to any entity
9 based on an agricultural commodity produced
10 or supported by the entity; and

11 (B) shall encourage, to the maximum ex-
12 tent practicable, projects that use infrastructure
13 efficiently for more than 1 agricultural product.

14 (3) REPORT.—Not less frequently than once
15 each year, the Secretary shall submit to Congress a
16 report that describes the programs (including the
17 level of participation in each program) under this
18 section, including information relating to—

19 (A) projects carried out under this section;

20 (B) characteristics of the agricultural pro-
21 ducers and communities served by the projects;

22 (C) the benefits of the projects;

23 (D) data necessary to comply with—

- 1 (i) section 2501A of the Food, Agri-
2 culture, Conservation, and Trade Act of
3 1990 (7 U.S.C. 2279-1); or
4 (ii) section 8(b)(5)(B) of the Soil Con-
5 servation and Domestic Allotment Act (16
6 U.S.C. 590h(b)(5)); and
7 (E) outreach and technical assistance ac-
8 tivities carried out by the Secretary under para-
9 graph (1).

Strike section 10401.

[MISCELLANEOUS TITLE]

Strike section 11105.

Page 683, line 23, strike “production” and insert
“production.”.

Page 684, strike line 5 through page 685, line 9 and
insert the following:

- 10 “(3) YIELD DETERMINATION BASED ON COUN-
11 TY ACTUAL PRODUCTION HISTORY.—If an agricul-
12 tural commodity ineligible for insurance as described
13 in paragraph (2) is planted for 4 years, beginning
14 with the fifth year in which the commodity is plant-
15 ed, the producer of the commodity may procure crop
16 insurance for the commodity under this title. The

1 yield for such crop insurance shall be determined
2 only—

3 “(A) by using the actual production history
4 for the farm; and

5 “(B) for each year in which the farm does
6 not have an actual production history, by using
7 the average actual production history for the
8 commodity in the county in which the farm is
9 located.”.

Page 685, line 20: strike “that” and insert “than”.

At the end of subtitle A of title XI (page 687, after
line 19), add the following new sections:

10 **SEC. 11013. NATIONAL DROUGHT COUNCIL AND DROUGHT**
11 **PREPAREDNESS PLANS.**

12 (a) **DEFINITIONS.**—In this section:

13 (1) **COUNCIL.**—The term “Council” means the
14 National Drought Council established by this sec-
15 tion.

16 (2) **CRITICAL SERVICE PROVIDER.**—The term
17 “critical service provider” means an entity that pro-
18 vides power, water (including water provided by an
19 irrigation organization or facility), sewer services, or
20 wastewater treatment.

1 (3) DROUGHT.—The term “drought” means a
2 natural disaster that is caused by a deficiency in
3 precipitation—

4 (A) that may lead to a deficiency in sur-
5 face and subsurface water supplies (including
6 rivers, streams, wetlands, ground water, soil
7 moisture, reservoir supplies, lake levels, and
8 snow pack); and

9 (B) that causes or may cause—

10 (i) substantial economic or social im-
11 pacts; or

12 (ii) physical damage or injury to indi-
13 viduals, property, or the environment.

14 (4) FUND.—The term “Fund” means the
15 Drought Assistance Fund established by this section.

16 (5) INDIAN TRIBE.—The term “Indian tribe”
17 has the meaning given the term in section 4 of the
18 Indian Self-Determination and Education Assistance
19 Act (25 U.S.C. 450b).

20 (6) INTERSTATE WATERSHED.—The term
21 “interstate watershed” means a watershed that tran-
22 scends State or Tribal boundaries, or both.

23 (7) MEMBER.—The term “member”, with re-
24 spect to the National Drought Council, means a
25 member of the Council specified or appointed under

1 this section or, in the absence of the member, the
2 member's designee.

3 (8) MITIGATION.—The term “mitigation”
4 means a short- or long-term action, program, or pol-
5 icy that is implemented in advance of or during a
6 drought to minimize any risks and impacts of
7 drought.

8 (9) NEIGHBORING COUNTRY.—The term
9 “neighboring country” means Canada and Mexico.

10 (10) OFFICE.—The term “Office” means the
11 National Office of Drought Preparedness established
12 under this section.

13 (11) SECRETARY.—The term “Secretary”
14 means the Secretary of Agriculture.

15 (12) STATE.—The term “State” means the sev-
16 eral States, the District of Columbia, American
17 Samoa, Guam, the Commonwealth of the Northern
18 Mariana Islands, the Commonwealth of Puerto Rico,
19 and the United States Virgin Islands.

20 (13) TRIGGER.—The term “trigger” means the
21 thresholds or criteria that must be satisfied before
22 mitigation or emergency assistance may be provided
23 to an area—

24 (A) in which drought is emerging; or

25 (B) that is experiencing a drought.

1 (14) UNDER SECRETARY.—The term “Under
2 Secretary” means the Under Secretary of Agri-
3 culture for Natural Resources and Environment.

4 (15) WATERSHED.—The term “watershed”
5 means a region or area with common hydrology, an
6 area drained by a waterway that drains into a lake
7 or reservoir, the total area above a given point on
8 a stream that contributes water to the flow at that
9 point, or the topographic dividing line from which
10 surface streams flow in two different directions. In
11 no case shall a watershed be larger than a river
12 basin.

13 (16) WATERSHED GROUP.—The term “water-
14 shed group” means a group of individuals, formally
15 recognized by the appropriate State or States, who
16 represent the broad scope of relevant interests with-
17 in a watershed and who work together in a collabo-
18 rative manner to jointly plan the management of the
19 natural resources contained within the watershed.

20 (b) EFFECT OF SECTION.—This section does not af-
21 fect—

22 (1) the authority of a State to allocate quan-
23 tities of water under the jurisdiction of the State; or

24 (2) any State water rights established as of the
25 date of enactment of this Act.

1 (c) NATIONAL DROUGHT COUNCIL.—

2 (1) ESTABLISHMENT.—There is established in
3 the Office of the Secretary of Agriculture a council
4 to be known as the “National Drought Council”.

5 (2) MEMBERSHIP.—

6 (A) COMPOSITION.—The Council shall be
7 composed of—

8 (i) the Secretary (or the designee of
9 the Secretary);

10 (ii) the Secretary of Commerce (or the
11 designee of the Secretary of Commerce);

12 (iii) the Secretary of the Army (or the
13 designee of the Secretary of the Army);

14 (iv) the Secretary of the Interior (or
15 the designee of the Secretary of the Inte-
16 rior);

17 (v) the Director of the Federal Emer-
18 gency Management Agency (or the des-
19 ignee of the Director);

20 (vi) the Administrator of the Environ-
21 mental Protection Agency (or the designee
22 of the Administrator);

23 (vii) 4 members appointed by the Sec-
24 retary, in coordination with the National
25 Governors Association, each of whom shall

1 be the Governor of a State (or the designee
2 of the Governor) and who collectively shall
3 represent the geographic diversity of the
4 Nation;

5 (viii) 1 member appointed by the Sec-
6 retary, in coordination with the National
7 Association of Counties;

8 (ix) 1 member appointed by the Sec-
9 retary, in coordination with the United
10 States Conference of Mayors;

11 (x) 1 member appointed by the Sec-
12 retary of the Interior, in coordination with
13 Indian tribes, to represent the interests of
14 tribal governments; and

15 (xi) 1 member appointed by the Sec-
16 retary, in coordination with the National
17 Association of Conservation Districts, to
18 represent local soil and water conservation
19 districts.

20 (B) DATE OF APPOINTMENT.—The ap-
21 pointment of each member of the Council shall
22 be made not later than 120 days after the date
23 of enactment of this Act.

24 (3) TERM; VACANCIES.—

1 (A) TERM.—A non-Federal member of the
2 Council appointed under paragraph (2) shall be
3 appointed for a term of two years.

4 (B) VACANCIES.—A vacancy on the Coun-
5 cil—

6 (i) shall not affect the powers of the
7 Council; and

8 (ii) shall be filled in the same manner
9 as the original appointment was made.

10 (C) TERMS OF MEMBERS FILLING VACAN-
11 CIES.—Any member appointed to fill a vacancy
12 occurring before the expiration of the term for
13 which the member's predecessor was appointed
14 shall be appointed only for the remainder of
15 that term.

16 (4) MEETINGS.—

17 (A) IN GENERAL.—The Council shall meet
18 at the call of the co-chairs.

19 (B) FREQUENCY.—The Council shall meet
20 at least semiannually.

21 (5) QUORUM.—A majority of the members of
22 the Council shall constitute a quorum, but a lesser
23 number may hold hearings or conduct other busi-
24 ness.

25 (6) COUNCIL LEADERSHIP.—

1 (A) IN GENERAL.—There shall be a Fed-
2 eral co-chair and non-Federal co-chair of the
3 Council.

4 (B) APPOINTMENT.—

5 (i) FEDERAL CO-CHAIR.—The Sec-
6 retary shall be Federal co-chair.

7 (ii) NON-FEDERAL CO-CHAIR.—The
8 non-Federal members of the Council shall
9 select, on a biannual basis, a non-Federal
10 co-chair of the Council from among the
11 members appointed under paragraph (2)

12 (7) DIRECTOR OF THE OFFICE.—

13 (A) IN GENERAL.—The Director of the Of-
14 fice shall serve as Secretary of the Council.

15 (B) DUTIES.—The Director of the Office
16 shall serve the interests of all members of the
17 Council.

18 (d) DUTIES OF THE COUNCIL.—

19 (1) IN GENERAL.—The Council shall—

20 (A) not later than one year after the date
21 of the first meeting of the Council, develop a
22 comprehensive National Drought Policy Action
23 Plan that—

24 (i)(I) delineates and integrates re-
25 sponsibilities for activities relating to

1 drought (including drought preparedness,
2 mitigation, research, risk management,
3 training, and emergency relief) among
4 Federal agencies; and

5 (II) ensures that those activities are
6 coordinated with the activities of the
7 States, local governments, Indian tribes,
8 and neighboring countries;

9 (ii) is consistent with—

10 (I) this Act and other applicable
11 Federal laws; and

12 (II) the laws and policies of the
13 States for water management;

14 (iii) is integrated with drought man-
15 agement programs of the States, Indian
16 tribes, local governments, watershed
17 groups, and private entities; and

18 (iv) avoids duplicating Federal, State,
19 tribal, local, watershed, and private
20 drought preparedness and monitoring pro-
21 grams in existence on the date of enact-
22 ment of this Act;

23 (B) evaluate Federal drought-related pro-
24 grams in existence on the date of enactment of
25 this Act and make recommendations to Con-

1 gress and the President on means of elimi-
2 nating—

3 (i) discrepancies between the goals of
4 the programs and actual service delivery;

5 (ii) duplication among programs; and

6 (iii) any other circumstances that
7 interfere with the effective operation of the
8 programs;

9 (C) make recommendations to the Presi-
10 dent, Congress, and appropriate Federal Agen-
11 cies on—

12 (i) the establishment of common inter-
13 agency triggers for authorizing Federal
14 drought mitigation programs; and

15 (ii) improving the consistency and
16 fairness of assistance among Federal
17 drought relief programs;

18 (D) encourage and facilitate the develop-
19 ment of drought preparedness plans under sub-
20 title C, including establishing the guidelines
21 under this section;

22 (E) based on a review of drought prepared-
23 ness plans, develop and make available to the
24 public drought planning models to reduce water

1 resource conflicts relating to water conservation
2 and droughts;

3 (F) develop and coordinate public aware-
4 ness activities to provide the public with access
5 to understandable, and informative materials on
6 drought, including—

7 (i) explanations of the causes of
8 drought, the impacts of drought, and the
9 damages from drought;

10 (ii) descriptions of the value and bene-
11 fits of land stewardship to reduce the im-
12 pacts of drought and to protect the envi-
13 ronment;

14 (iii) clear instructions for appropriate
15 responses to drought, including water con-
16 servation, water reuse, and detection and
17 elimination of water leaks;

18 (iv) information on State and local
19 laws applicable to drought; and

20 (v) opportunities for assistance to re-
21 source-dependent businesses and industries
22 in times of drought; and

23 (G) establish operating procedures for the
24 Council.

1 (2) CONSULTATION.—In carrying out this sub-
2 section, the Council shall consult with groups af-
3 fected by drought emergencies.

4 (3) REPORTS TO CONGRESS.—

5 (A) ANNUAL REPORT.—

6 (i) IN GENERAL.—Not later than one
7 year after the date of the first meeting of
8 the Council, and annually thereafter, the
9 Council shall submit to Congress a report
10 on the activities carried out under this sec-
11 tion.

12 (ii) INCLUSIONS.—

13 (I) IN GENERAL.—The annual
14 report shall include a summary of
15 drought preparedness plans.

16 (II) INITIAL REPORT.—The ini-
17 tial report submitted under subpara-
18 graph (A) shall include any rec-
19 ommendations of the Council.

20 (B) FINAL REPORT.—Not later than seven
21 years after the date of enactment of this Act,
22 the Council shall submit to Congress a report
23 that recommends—

24 (i) amendments to this section; and

1 (ii) whether the Council should con-
2 tinue.

3 (e) POWERS OF THE COUNCIL.—

4 (1) HEARINGS.—The Council may hold hear-
5 ings, meet and act at any time and place, take any
6 testimony and receive any evidence that the Council
7 considers advisable to carry out this section.

8 (2) INFORMATION FROM FEDERAL AGENCIES.—

9 (A) IN GENERAL.—The Council may ob-
10 tain directly from any Federal agency any in-
11 formation that the Council considers necessary
12 to carry out this section.

13 (B) PROVISION OF INFORMATION.—

14 (i) IN GENERAL.—Except as provided
15 in clause (ii), on request of the Secretary
16 or the non-Federal co-chair of the Council,
17 the head of a Federal agency may provide
18 information to the Council.

19 (ii) LIMITATION.—The head of a Fed-
20 eral agency shall not provide any informa-
21 tion to the Council that the Federal agency
22 head determines the disclosure of which
23 may cause harm to national security inter-
24 ests.

1 (3) POSTAL SERVICES.—The Council may use
2 the United States mail in the same manner and
3 under the same conditions as other agencies of the
4 Federal Government.

5 (4) GIFTS.—The Council may accept, use, and
6 dispose of gifts or donations of services or property.

7 (f) COUNCIL PERSONNEL MATTERS.—

8 (1) COMPENSATION OF MEMBERS.—

9 (A) NON-FEDERAL EMPLOYEES.—A mem-
10 ber of the Council who is not an officer or em-
11 ployee of the Federal Government shall serve
12 without compensation.

13 (B) FEDERAL EMPLOYEES.—A member of
14 the Council who is an officer or employee of the
15 United States shall serve without compensation
16 in addition to the compensation received for
17 services of the member as an officer or em-
18 ployee of the Federal Government.

19 (2) TRAVEL EXPENSES.—A member of the
20 Council shall be allowed travel expenses at rates au-
21 thorized for an employee of an agency under sub-
22 chapter I of chapter 57 of title 5, United States
23 Code, while away from the home or regular place of
24 business of the member in the performance of the
25 duties of the Council.

1 (g) TERMINATION OF COUNCIL.—The Council shall
2 terminate at the end of the eighth fiscal year beginning
3 on or after the date of the enactment of this Act.

4 (h) NATIONAL OFFICE OF DROUGHT PREPARED-
5 NESS.—

6 (1) ESTABLISHMENT.—The Secretary shall es-
7 tablish an office to be known as the “National Office
8 of Drought Preparedness” to provide assistance to
9 the Council.

10 (2) DIRECTOR OF THE OFFICE.—

11 (A) APPOINTMENT.—

12 (i) IN GENERAL.—The Under Sec-
13 retary shall appoint a Director of the Of-
14 fice under sections 3371 through 3375 of
15 title 5, United States Code.

16 (ii) QUALIFICATIONS.—The Director
17 of the Office shall be a person who has ex-
18 perience in—

19 (I) public administration; and

20 (II) drought mitigation or
21 drought management.

22 (B) POWERS.—The Director of the Office
23 may hire such other additional personnel or
24 contract for services with other entities as nec-
25 essary to carry out the duties of the Office.

1 (3) DETAIL OF GOVERNMENT EMPLOYEES.—

2 (A) IN GENERAL.—Except for the require-
3 ments of section 204, an employee of the Fed-
4 eral Government may be detailed to the Office
5 without reimbursement, unless the Secretary,
6 on the recommendation of the Director of the
7 Office, determines that reimbursement is appro-
8 priate.

9 (B) CIVIL SERVICE STATUS.—The detail of
10 an employee shall be without interruption or
11 loss of civil service status or privilege.

12 (i) DROUGHT ASSISTANCE FUND.—

13 (1) ESTABLISHMENT.—There is established
14 within the Department of Agriculture a fund to be
15 known as the “Drought Assistance Fund”.

16 (2) PURPOSE.—The Fund shall be used to pay
17 the costs of—

18 (A) providing technical and financial as-
19 sistance (including grants and cooperative as-
20 sistance) to States, Indian tribes, local govern-
21 ments, watershed groups, and critical service
22 providers for the development and implementa-
23 tion of drought preparedness plans;

24 (B) providing to States, Indian tribes, local
25 governments, watershed groups, and critical

1 service providers the Federal share, as deter-
2 mined by the Secretary, in consultation with the
3 other members of the Council, of the cost of
4 mitigating the overall risk and impacts of
5 droughts;

6 (C) assisting States, Indian tribes, local
7 governments, watershed groups, and critical
8 service providers in the development of mitiga-
9 tion measures to address environmental, eco-
10 nomic, and human health and safety issues re-
11 lating to drought; and

12 (D) expanding the technology transfer of
13 drought and water conservation strategies and
14 innovative water supply techniques.

15 (3) GUIDELINES.—

16 (A) IN GENERAL.—The Secretary, in con-
17 sultation with the non-Federal co-chair of the
18 Council and with the concurrence of the Coun-
19 cil, shall develop and promulgate guidelines to
20 implement this subsection.

21 (B) REQUIREMENTS.—The guidelines shall
22 address the following:

23 (i) Ensure the distribution of amounts
24 from the Fund within a reasonable period
25 of time.

1 (ii) Take into consideration regional
2 differences.

3 (iii) Take into consideration all im-
4 pacts of drought in a balanced manner.

5 (iv) Prohibit the use of amounts from
6 the Fund for Federal salaries that are not
7 directly related to the provision of drought
8 assistance.

9 (v) Require that distribution of
10 amounts from the Fund granted to States,
11 local governments, watershed groups, and
12 critical service providers to meet the re-
13 quirements of this subsection be coordi-
14 nated with and managed by the State in
15 which such local government or critical
16 service provider is located, consistent with
17 the drought preparedness priorities and
18 relevant water management plans within
19 the State.

20 (vi) Require that distribution of
21 amounts from the Fund granted to Indian
22 tribes to meet the requirements of this
23 subsection be used to implement plans that
24 are, to the extent practicable, in coordina-
25 tion with each State in which lands of the

1 Indian tribe are located and consistent
2 with existing drought preparedness and
3 water management plans of such States.

4 (vii) Require that a State, Indian
5 tribe, local government, watershed group,
6 or critical service provider that receives
7 Federal funds under paragraph (2) or (3)
8 of subsection (b) cover not less than 25
9 percent of the overall cost incurred in car-
10 rying out the project for which the Federal
11 funds are provided. This cost sharing re-
12 quirement may be satisfied using non-Fed-
13 eral grants or cash donations made by
14 non-Federal third parties.

15 (4) SPECIAL REQUIREMENT FOR INTERSTATE
16 WATERSHEDS.—

17 (A) DEVELOPMENT OF DROUGHT PRE-
18 PAREDNESS PLANS.—In order to receive funds
19 under this subsection to develop drought pre-
20 paredness plans for interstate watersheds, the
21 guidelines shall also require the relevant States,
22 Indian tribes, or both, in which the watershed
23 is located, to coordinate in the development of
24 the drought preparedness plan. The develop-
25 ment of such plans shall—

1 (i) be consistent with the relevant
2 States' and Tribal water laws, policies, and
3 agreements;

4 (ii) be consistent and coordinated with
5 any existing interstate stream compacts;

6 (iii) include the participation of any
7 relevant watershed groups located in the
8 relevant States, Indian tribes, or both; and

9 (iv) recognize that implementation of
10 the interstate drought preparedness plan
11 will involve further coordination among the
12 relevant States, Indian tribes, or both, ex-
13 cept that each State and Indian tribe has
14 sole jurisdiction over implementation of
15 that portion of the watershed that exists
16 within their boundaries.

17 (B) IMPLEMENTATION OF DROUGHT PRE-
18 PAREDNESS PLANS.—In order to receive funds
19 under this subsection to implement drought
20 preparedness plans for interstate watersheds,
21 the guidelines shall also require, to the extent
22 practicable, the relevant States, Indian tribes,
23 or both, in which the watershed is located, to
24 coordinate in the implementation of the drought
25 preparedness plan, recognizing the sovereignty

1 of the States and Indian tribes. Implementation
2 of interstate drought preparedness plans
3 shall—

4 (i) be contingent upon the existence of
5 a drought preparedness plan, but not re-
6 quire the distribution of funds to all States
7 and Indian tribes in which the watershed is
8 located;

9 (ii) consider the level of impact within
10 the watershed on each of the relevant
11 States, Indian tribes, or both; and

12 (iii) not impede on State water rights
13 established as of the date of enactment of
14 this Act.

15 (j) DROUGHT PREPAREDNESS PLANS.—

16 (1) IN GENERAL.—The Secretary shall—

17 (A) with the concurrence of the Council,
18 jointly develop guidelines for administering a
19 national program to provide technical and fi-
20 nancial assistance to States, Indian tribes, local
21 governments, watershed groups, and critical
22 service providers for the development, mainte-
23 nance, and implementation of drought pre-
24 paredness plans; and

1 (B) promulgate the guidelines developed
2 under subparagraph (A).

3 (2) REQUIREMENTS.—To build on the experi-
4 ence and avoid duplication of efforts of Federal,
5 State, local, tribal, and regional drought plans in ex-
6 istence on the date of enactment of this Act, the
7 guidelines may recognize and incorporate those
8 plans.

9 (3) FEDERAL PLANS.—

10 (A) IN GENERAL.—The Secretary and
11 other appropriate Federal agency heads shall
12 develop and implement Federal drought pre-
13 paredness plans for agencies under the jurisdic-
14 tion of the appropriate Federal agency head.

15 (B) REQUIREMENTS.—The Federal
16 plans—

17 (i) shall be integrated with each other;

18 (ii) may be included as components of
19 other Federal planning requirements;

20 (iii) shall be integrated with drought
21 preparedness plans of State, tribal, and
22 local governments that are affected by
23 Federal projects and programs; and

1 (iv) shall be completed not later than
2 two years after the date of the enactment
3 of this Act.

4 (4) STATE AND TRIBAL PLANS.—States and In-
5 dian tribes may develop and implement State and
6 tribal drought preparedness plans that—

7 (A) address monitoring of resource condi-
8 tions that are related to drought;

9 (B) identify areas that are at a high risk
10 for drought;

11 (C) describes mitigation strategies to ad-
12 dress and reduce the vulnerability of an area to
13 drought; and

14 (D) are integrated with State, tribal, and
15 local water plans in existence on the date of en-
16 actment of this Act.

17 (5) REGIONAL AND LOCAL PLANS.—Local gov-
18 ernments, watershed groups, and regional water pro-
19 viders may develop and implement drought pre-
20 paredness plans that—

21 (A) address monitoring of resource condi-
22 tions that are related to drought;

23 (B) identify areas that are at a high risk
24 for drought;

1 (C) describe mitigation strategies to ad-
2 dress and reduce the vulnerability of an area to
3 drought; and

4 (D) are integrated with corresponding
5 State plans.

6 (6) PLAN ELEMENTS.—A drought preparedness
7 plan—

8 (A) shall be consistent with Federal and
9 State laws, contracts, and policies;

10 (B) shall allow each State to continue to
11 manage water and wildlife in the State;

12 (C) shall address the health, safety, and
13 economic interests of those persons directly af-
14 fected by drought;

15 (D) shall address the economic impact on
16 resource-dependent businesses and industries,
17 including regional tourism;

18 (E) may include—

19 (i) provisions for water management
20 strategies to be used during various
21 drought or water shortage thresholds, con-
22 sistent with State water law;

23 (ii) provisions to address key issues
24 relating to drought (including public
25 health, safety, economic factors, and envi-

1 ronmental issues such as water quality,
2 water quantity, protection of threatened
3 and endangered species, and fire manage-
4 ment);

5 (iii) provisions that allow for public
6 participation in the development, adoption,
7 and implementation of drought plans;

8 (iv) provisions for periodic drought ex-
9 ercises, revisions, and updates;

10 (v) a hydrologic characterization study
11 to determine how water is being used dur-
12 ing times of normal water supply avail-
13 ability to anticipate the types of drought
14 mitigation actions that would most effec-
15 tively improve water management during a
16 drought;

17 (vi) drought triggers;

18 (vii) specific implementation actions
19 for droughts;

20 (viii) a water shortage allocation plan,
21 consistent with State water law; and

22 (ix) comprehensive insurance and fi-
23 nancial strategies to manage the risks and
24 financial impacts of droughts; and

25 (F) shall take into consideration—

- 1 (i) the financial impact of the plan on
2 the ability of the utilities to ensure rate
3 stability and revenue stream; and
4 (ii) economic impacts from water
5 shortages.

6 (k) AUTHORIZATION OF APPROPRIATIONS.—

7 (1) COUNCIL.—There is authorized to be appro-
8 priated to carry out the activities of the Council
9 \$2,000,000 for fiscal year 2008 and for each of the
10 subsequent seven fiscal years.

11 (2) FUND.—There are authorized to be appro-
12 priated to the Fund such sums as are necessary to
13 carry out subsection (i).

14 **SEC. 11014. PAYMENT OF PORTION OF PREMIUM FOR AREA**
15 **REVENUE PLANS.**

16 Section 508(e) of the Federal Crop Insurance Act (7
17 U.S.C. 1508(e)) is amended—

18 (1) in paragraph (2), in the matter preceding
19 subparagraph (A), by striking “paragraph (4)” and
20 inserting “paragraphs (4), (6), and (7)”; and

21 (2) by adding at the end the following:

22 “(6) PREMIUM SUBSIDY FOR AREA REVENUE
23 PLANS.—Subject to paragraph (4), in the case of a
24 policy or plan of insurance that covers losses due to

1 a reduction in revenue in an area, the amount of the
2 premium paid by the Corporation shall be as follows:

3 “(A) In the case of additional area cov-
4 erage equal to or greater than 70 percent, but
5 less than 75 percent, of the recorded county
6 yield indemnified at not greater than 100 per-
7 cent of the expected market price, the amount
8 shall be equal to the sum of—

9 “(i) 59 percent of the amount of the
10 premium established under subsection
11 (d)(2)(B)(i) for the coverage level selected;
12 and

13 “(ii) the amount determined under
14 subsection (d)(2)(B)(ii) for the coverage
15 level selected to cover operating and ad-
16 ministrative expenses.

17 “(B) In the case of additional area cov-
18 erage equal to or greater than 75 percent, but
19 less than 85 percent, of the recorded county
20 yield indemnified at not greater than 100 per-
21 cent of the expected market price, the amount
22 shall be equal to the sum of—

23 “(i) 55 percent of the amount of the
24 premium established under subsection

1 (d)(2)(B)(i) for the coverage level selected;
2 and

3 “(ii) the amount determined under
4 subsection (d)(2)(B)(ii) for the coverage
5 level selected to cover operating and ad-
6 ministrative expenses.

7 “(C) In the case of additional area cov-
8 erage equal to or greater than 85 percent, but
9 less than 90 percent, of the recorded county
10 yield indemnified at not greater than 100 per-
11 cent of the expected market price, the amount
12 shall be equal to the sum of—

13 “(i) 49 percent of the amount of the
14 premium established under subsection
15 (d)(2)(B)(i) for the coverage level selected;
16 and

17 “(ii) the amount determined under
18 subsection (d)(2)(B)(ii) for the coverage
19 level selected to cover operating and ad-
20 ministrative expenses.

21 “(D) In the case of additional area cov-
22 erage equal to or greater than 90 percent of the
23 recorded county yield indemnified at not greater
24 than 100 percent of the expected market price,
25 the amount shall be equal to the sum of—

1 “(i) 44 percent of the amount of the
2 premium established under subsection
3 (d)(2)(B)(i) for the coverage level selected;
4 and

5 “(ii) the amount determined under
6 subsection (d)(2)(B)(ii) for the coverage
7 level selected to cover operating and ad-
8 ministrative expenses.

9 “(7) PREMIUM SUBSIDY FOR AREA YIELD
10 PLANS.—Subject to paragraph (4), in the case of a
11 policy or plan of insurance that covers losses due to
12 a loss of yield or prevented planting in an area, the
13 amount of the premium paid by the Corporation
14 shall be as follows:

15 “(A) In the case of additional area cov-
16 erage equal to or greater than 70 percent, but
17 less than 80 percent, of the recorded county
18 yield indemnified at not greater than 100 per-
19 cent of the expected market price, the amount
20 shall be equal to the sum of—

21 “(i) 59 percent of the amount of the
22 premium established under subsection
23 (d)(2)(B)(i) for the coverage level selected;
24 and

1 “(ii) the amount determined under
2 subsection (d)(2)(B)(ii) for the coverage
3 level selected to cover operating and ad-
4 ministrative expenses.

5 “(B) In the case of additional area cov-
6 erage equal to or greater than 80 percent, but
7 less than 90 percent, of the recorded county
8 yield indemnified at not greater than 100 per-
9 cent of the expected market price, the amount
10 shall be equal to the sum of—

11 “(i) 55 percent of the amount of the
12 premium established under subsection
13 (d)(2)(B)(i) for the coverage level selected;
14 and

15 “(ii) the amount determined under
16 subsection (d)(2)(B)(ii) for the coverage
17 level selected to cover operating and ad-
18 ministrative expenses.

19 “(C) In the case of additional area cov-
20 erage equal to or greater than 90 percent, of
21 the recorded county yield indemnified at not
22 greater than 100 percent of the expected mar-
23 ket price, the amount shall be equal to the sum
24 of—

1 “(i) 51 percent of the amount of the
2 premium established under subsection
3 (d)(2)(B)(i) for the coverage level selected;
4 and
5 “(ii) the amount determined under
6 subsection (d)(2)(B)(ii) for the coverage
7 level selected to cover operating and ad-
8 ministrative expenses.”.

Page 715, strike lines 13 through 25 and insert the following:

9 “(A) UNITED STATES COUNTRY OF ORI-
10 GIN.—A retailer of a covered commodity that is
11 beef, lamb, pork, or goat may designate the cov-
12 ered commodity as exclusively having a United
13 States country of origin only if the covered
14 commodity is derived from an animal that
15 was—

16 “(i) exclusively born, raised, and
17 slaughtered in the United States;

18 “(ii) born and raised in Alaska or Ha-
19 waii and transported for a period of not
20 more than 60 days through Canada to the
21 United States and slaughtered in the
22 United States; or

1 “(iii) present in the United States on
2 or before January 1, 2008.”.

Page 718, strike lines 16 through 22 and insert the following:

3 “(4) DESIGNATION OF COUNTRY OF ORIGIN
4 FOR PERISHABLE AGRICULTURAL COMMODITIES AND
5 PEANUTS.—

6 “(A) IN GENERAL.—A retailer of a covered
7 commodity that is a perishable agricultural
8 commodity or peanut may designate the covered
9 commodity as having a United States country
10 of origin only if the covered commodity is exclu-
11 sively produced in the United States.

12 “(B) STATE, REGION, LOCALITY OF THE
13 UNITED STATES.—With respect to a covered
14 commodity that is a perishable agricultural
15 commodity produced exclusively in the United
16 States, designation by a retailer of the State,
17 region, or locality of the United States where
18 such commodity was produced shall be suffi-
19 cient to identify the United States as the coun-
20 try of origin.”; and

Page 720, line 22 strike “; and” and insert “.”.

Page 720, strike line 23 and all that follows through page 721, line 9.

Page 724, line 11, strike “farmers and rancher” and insert “farmers and ranchers”.

Page 725, beginning line 8, strike clause (ii) regarding matching funds.

Page 727, beginning line 8, strike subsection (b).

Page 733, line 22, strike “and”.

Page 734, line 2, strike the period and insert “; and”.

Page 734, after line 2, insert the following:

- 1 (3) the coordination of the outreach activities
- 2 among the various agencies within the Department.
- 3 (c) REPORT.—After the relocation described in this
- 4 section is completed, the Secretary shall submit to Con-
- 5 gress a report that includes information describing the
- 6 new location of the program.

Page 734, line 23, strike “and”.

Page 735, line 2, strike the period and insert “; and”.

Page 735, beginning line 2, insert the following new paragraph:

1 (7) review ongoing efforts toward outreach in
2 the agencies and programs of the Department.

Redesignate sections 11308, 11309, and 11310 as
sections 11307, 11308, and 11309, respectively.

Page 739, line 24, strike “teach” and insert “each”.

At the end of title XI, add the following new sections:

3 **SEC. 11310. SENSE OF CONGRESS REGARDING FOOD**
4 **DESERTS, GEOGRAPHICALLY ISOLATED**
5 **NEIGHBORHOODS AND COMMUNITIES WITH**
6 **LIMITED OR NO ACCESS TO MAJOR CHAIN**
7 **GROCERY STORES.**

8 It is the sense of Congress that the Secretary of Agri-
9 culture, in conjunction with the National Institutes of
10 Health, the Centers for Disease Control, the Institute of
11 Medicine and faith-based organizations, should—

12 (1) conduct a national assessment of food
13 deserts in the United States, namely those geo-
14 graphically isolated neighborhoods and communities
15 with limited or no access to major-chain grocery
16 stores; and

17 (2) develop recommendations for eliminating
18 food deserts.

1 **SEC. 11311. PIGFORD CLAIMS.**

2 (a) IN GENERAL.—Any Pigford claimant who has not
3 previously obtained a determination on the merits of a
4 Pigford claim may, in a civil action, obtain that determina-
5 tion.

6 (b) LIMITATION.—Notwithstanding any other provi-
7 sion of law—

8 (1) All payments or debt relief (including any
9 limitation on foreclosure under subsection (f)) made
10 pursuant to an action commenced under subsection
11 (a) shall be made exclusively from funds made avail-
12 able pursuant to subsection (h), Provided that the
13 total amount of payments and debt relief pursuant
14 to an action commenced under subsection (a) shall
15 not exceed \$100,000,000; and,

16 (2) In no event may such payments or debt re-
17 lief be made from the Judgement Fund established
18 by 31 U.S.C. 1304.

19 (c) INTENT OF CONGRESS AS TO REMEDIAL NATURE
20 OF SECTION.—It is the intent of Congress that this sec-
21 tion be liberally construed so as to effectuate its remedial
22 purpose of giving a full determination on the merits for
23 each Pigford claim denied that determination.

24 (d) LOAN DATA.—

25 (1) REPORT TO PERSON SUBMITTING PETI-
26 TION.—Not later than 60 days after the Secretary

1 of Agriculture receives notice of a complaint filed by
2 a claimant under subsection (a), the Secretary shall
3 provide to the claimant a report on farm credit loans
4 made within the claimant's county or adjacent coun-
5 ty by the Department during the period beginning
6 on January 1 of the year preceding the year or years
7 covered by the complaint and ending on December
8 31 of year following such year or years. Such report
9 shall contain information on all persons whose appli-
10 cation for a loan was accepted, including—

- 11 (A) the race of the applicant;
- 12 (B) the date of application;
- 13 (C) the date of the loan decision;
- 14 (D) the location of the office making the
15 loan decision; and
- 16 (E) all data relevant to the process of de-
17 ciding on the loan.

18 (2) NO PERSONALLY IDENTIFIABLE INFORMA-
19 TION.—The reports provided pursuant to paragraph
20 (1) shall not contain any information that would
21 identify any person that applied for a loan from the
22 Department of Agriculture.

23 (e) EXPEDITED RESOLUTIONS AUTHORIZED.—Any
24 person filing a complaint under this Act for discrimination
25 in the application for, or making or servicing of, a farm

1 loan, at his or her discretion, may seek liquidated damages
2 of \$50,000, discharge of the debt that was incurred under,
3 or affected by, the discrimination that is the subject of
4 the person's complaint, and a tax payment in the amount
5 equal to 25 percent of the liquidated damages and loan
6 principal discharged, in which case—

7 (1) if only such damages, debt discharge, and
8 tax payment are sought, the complainant shall be
9 able to prove his or her case by substantial evidence;
10 and

11 (2) the court shall decide the case based on a
12 review of documents submitted by the complainant
13 and defendant relevant to the issues of liability and
14 damages.

15 (f) LIMITATION ON FORECLOSURES.—The Secretary
16 of Agriculture may not begin acceleration on or foreclosure
17 of a loan if a borrower is a Pigford claimant and, in an
18 appropriate administrative proceeding, makes a prima
19 facie case that the foreclosure is related to a Pigford
20 claim.

21 (g) DEFINITIONS.—In this Act—

22 (1) the term “Pigford claimant” means an indi-
23 vidual who previously submitted a late-filing request
24 under section 5(g) of the consent decree in the case
25 of Pigford v. Glickman, approved by the United

1 States District Court for the District of Columbia on
2 April 14, 1999; and

3 (2) the term “Pigford claim” means a discrimi-
4 nation complaint, as defined by section 1(h) of that
5 consent decree and documented under section 5(b)
6 of that consent decree.

7 (h) FUNDING.—Of the funds of the Commodity Cred-
8 it Corporation, the Secretary shall make available
9 \$100,000,000 for fiscal year 2008, to remain available
10 until expended, for payments and debt relief in satisfac-
11 tion of claims against the United States under subsection
12 (a), and for any actions made pursuant to subsection (f).

13 **SEC. 11312. COMPTROLLER GENERAL STUDY OF WASTE-**
14 **WATER INFRASTRUCTURE NEAR UNITED**
15 **STATES-MEXICO BORDER.**

16 The Comptroller General shall conduct a study of the
17 state of wastewater infrastructure in rural communities
18 within 150 miles of the United States-Mexico border to
19 determine what the Federal Government can do to assist
20 border rural communities in bringing wastewater infra-
21 structure up to date.

AMENDMENT TO ~~H.R. 2419~~, AS REPORTED
OFFERED BY M. _____

Page 189, line 8, strike "1,000,000" and insert
"1,340,000".

Strike section 3005 (relating to McGovern-Dole
International Food for Education and Child Nutrition
Program) and insert the following:

1 **SEC. 3005. REAUTHORIZATION OF MCGOVERN-DOLE INTER-**
2 **NATIONAL FOOD FOR EDUCATION AND**
3 **CHILD NUTRITION PROGRAM.**

4 (a) ADMINISTRATION OF PROGRAM.—Section 3107
5 of the Farm Security and Rural Investment Act of 2002
6 (7 U.S.C. 1736o-1) is amended—

7 (1) in subsection (d), in the matter preceding
8 paragraph (1), by striking "The President shall des-
9 ignate 1 or more Federal agencies to" and inserting
10 "The Secretary shall";

11 (2) in subsection (f)(2), in the matter preceding
12 subparagraph (A), by striking "implementing agen-
13 cy" and inserting "Secretary"; and

1 (3) in subsections (c)(2)(B), (f)(1), (h)(1) and
2 (2), and (i), by striking "President" each place it
3 appears and inserting "Secretary".

4 (b) FUNDING.—Section 3107(l) of the Farm Security
5 and Rural Investment Act of 2002 (7 U.S.C. 1736o-1(l))
6 is amended—

7 (1) by striking paragraphs (1) and (2) and in-
8 serting the following:

9 "(1) USE OF COMMODITY CREDIT CORPORATION
10 FUNDS.—Of the funds of the Commodity Credit
11 Corporation, the Secretary shall use to carry out this
12 section—

13 "(A) \$0 for fiscal year 2008;

14 "(B) \$140,000,000 for fiscal year 2009;

15 "(C) \$170,000,000 for fiscal year 2010;

16 "(D) \$230,000,000 for fiscal year 2011;

17 "(E) \$300,000,000 for fiscal year 2012;

18 and

19 "(F) \$0 for fiscal year 2013.";

20 (2) by redesignating paragraph (3) as para-
21 graph (2); and

22 (3) in paragraph (2) (as redesignated by para-
23 graph (2)), by striking "any Federal agency imple-
24 menting or assisting" and inserting "the Depart-

1 ment of Agriculture or any other Federal agency as-
2 sisting”.

Strike section 11001.

At the end of subtitle A of title XI add the following
new section:

3 **SEC. 1101. SHARE OF RISK.**

4 (a) IN GENERAL.—Section 508(k)(3) of the Federal
5 Crop Insurance Act (7 U.S.C. 1508(k)(3)) is amended—

6 (1) by striking “require the” and inserting “re-
7 quire—

8 “(A) the”;

9 (2) by striking the period at the end and insert-
10 ing “; and”; and

11 (3) by adding at the end the following:

12 “(B)(i) the cumulative underwriting gain
13 or loss, and the associated premium and losses
14 with such amount, calculated under any rein-
15 surance agreement (except livestock) ceded to
16 the Corporation by each approved insurance
17 provider to be not less than 12.5 percent; and

18 “(ii) the Corporation to pay a ceding com-
19 mission to reinsured companies of 2 percent of
20 the premium used to define the loss ratio for

1 the approved insurance provider's book of busi-
2 ness that is described in clause (i).".

3 (b) CONFORMING AMENDMENTS.—Section 516(a)(2)
4 of the Federal Crop Insurance Act (7 U.S.C. 1516(a)(2))
5 is amended by adding at the end the following new sub-
6 paragraph:

7 “(E) Costs associated with the ceding com-
8 missions described in section 508(k)(3)(B)(ii).”.

9 (c) EFFECTIVE DATE.—This section shall take effect
10 on the first June 30th after the date of the enactment
11 of this Act.

At the end of title XI add the following new section:

12 **SEC. 113 ____ . ELIMINATION OF STATUTE OF LIMITATIONS**
13 **APPLICABLE TO COLLECTION OF DEBT BY**
14 **ADMINISTRATIVE OFFSET.**

15 (a) ELIMINATION.—Section 3716(e) of title 31,
16 United States Code, is amended to read as follows:

17 “(e)(1) Notwithstanding any other provision of law,
18 regulation, or administrative limitation, no limitation on
19 the period within which an offset may be initiated or taken
20 pursuant to this section shall be effective.

21 “(2) This section does not apply when a statute ex-
22 plicitly prohibits using administrative offset or setoff to
23 collect the claim or type of claim involved.”.

1 (b) APPLICATION OF AMENDMENT.—The amendment
2 made by subsection (a) shall apply to any debt outstanding
3 on or after the date of the enactment of this Act.

At the end of the bill add the following new title:

4 **TITLE XII—ADDITIONAL**
5 **OFFSETS**
6 **Subtitle A—Conservation of Re-**
7 **sources Fees and Repeal of Roy-**
8 **alty Relief**

9 **SEC. 12001. CONSERVATION OF RESOURCES FEES.**

10 (a) CONSERVATION OF RESOURCES FEES.—

11 (1) IN GENERAL.—Not later than 60 days after
12 the date of enactment of this Act, the Secretary of
13 the Interior by regulation shall establish a conserva-
14 tion of resources fee for producing Federal oil and
15 gas leases in the Gulf of Mexico.

16 (2) FEE TERMS.—The fee under paragraph
17 (1)—

18 (A) subject to subparagraph (C), shall
19 apply to covered leases that are producing
20 leases;

21 (B) shall be set at \$9 per barrel for oil and
22 \$1.25 per million Btu for gas, respectively, in
23 2005 dollars; and

1 (C) shall apply only to production of oil or
2 gas occurring—

3 (i) in any calendar year in which the
4 arithmetic average of the daily closing
5 prices for light sweet crude oil on the New
6 York Mercantile Exchange (NYMEX) ex-
7 ceeds \$34.73 per barrel for oil and \$4.34
8 per million Btu for gas in 2005 dollars;
9 and

10 (ii) on or after October 1, 2006.

11 (3) TREATMENT OF RECEIPTS.—Amounts re-
12 ceived by the United States as fees under this sub-
13 section shall be treated as offsetting receipts.

14 (b) COVERED LEASE DEFINED.—In this section the
15 term “covered lease” means a lease for oil or gas produc-
16 tion in the Gulf of Mexico that is—

17 (1) in existence on the date of enactment of this
18 Act;

19 (2) issued by the Department of the Interior
20 under section 304 of the Outer Continental Shelf
21 Deep Water Royalty Relief Act (43 U.S.C. 1337
22 note; Public Law 104–58); and

23 (3) not subject to limitations on royalty relief
24 based on market price that are equal to or less than
25 the price thresholds described in clauses (v) through

1 (vii) of section 8(a)(3)(C) of the Outer Continental
2 Shelf Lands Act (43 U.S.C. 1337(a)(3)(C)).

3 **SEC. 12002. REPEAL OF CERTAIN TAXPAYER SUBSIDIZED**
4 **ROYALTY RELIEF FOR THE OIL AND GAS IN-**
5 **DUSTRY.**

6 (a) REPEAL OF PROVISIONS OF ENERGY POLICY ACT
7 OF 2005.—The following provisions of the Energy Policy
8 Act of 2005 (Public Law 109–58) are repealed:

9 (1) Section 344 (42 U.S.C. 15904; relating to
10 incentives for natural gas production from deep wells
11 in shallow waters of the Gulf of Mexico).

12 (2) Section 345 (42 U.S.C. 15905; relating to
13 royalty relief for deep water production in the Gulf
14 of Mexico).

15 (3) Subsection (i) of section 365 (42 U.S.C.
16 15924; relating to the prohibition on drilling-related
17 permit application cost recovery fees).

18 (b) PROVISIONS RELATING TO PLANNING AREAS
19 OFFSHORE ALASKA.—Section 8(a)(3)(B) of the Outer
20 Continental Shelf Lands Act (43 U.S.C. 1337(a)(3)(B))
21 is amended by striking “and in the Planning Areas off-
22 shore Alaska” after “West longitude”.

23 (c) PROVISIONS RELATING TO NAVAL PETROLEUM
24 RESERVE IN ALASKA.—Section 107 of the Naval Petro-
25 leum Reserves Production Act of 1976 (as transferred, re-

1 designated, moved, and amended by section 347 of the En-
2 ergy Policy Act of 2005 (119 Stat. 704)) is amended—

3 (1) in subsection (i) by striking paragraphs (2)
4 through (6); and

5 (2) by striking subsection (k).

6 **SEC. 12003. TIME FOR PAYMENT OF CORPORATE ESTI-**
7 **MATED TAXES.**

8 Subparagraph (B) of section 401(1) of the Tax In-
9 crease Prevention and Reconciliation Act of 2005 is
10 amended by striking “114.50 percent” and inserting
11 “115.75 percent”.

12 **Subtitle B—Allocation of Offsets**

13 **SEC. 12011. REPORT ON FUNDS; RATE OF FEDERAL CROP**
14 **INSURANCE.**

15 (a) **REPORT.**—Not later than the September 15 pre-
16 ceding each fiscal year, the Secretary of the Interior shall
17 report to the Secretary of Agriculture the total amount
18 expected to be received in the fiscal year as a result of
19 the changes in subtitle A.

20 (b) **RATE.**— Notwithstanding section
21 508(k)(4)(A)(ii) of the Federal Crop Insurance Act (7
22 U.S.C. 1508(k)(4)(A)(ii)), the reimbursement rate estab-
23 lished for each of the reinsurance years 2012 through
24 2017 shall be the lesser of—

25 (1) the rate established in such section; and

1 (2) the product of—

2 (A) the rate established in such section;

3 and

4 (B) the factor calculated in subsection (c).

5 (c) CALCULATION.—In carrying out subsection (b),

6 the Secretary of the Interior shall calculate the appro-

7 priate factor by dividing the amount calculated under sub-

8 section (a) for the fiscal year by the amount calculated

9 under subsection (a) for fiscal year 2012.

10 Page 667, line 16, strike "2" and insert "2.9".

Part B

TEXT OF AMENDMENTS MADE IN ORDER UNDER THE RULE

1. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Kind OF Wisconsin, OR HIS
DESIGNEE, DEBATABLE FOR 40 MINUTES:

110

Revised

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. KIND OF WISCONSIN**

[COMMODITY TITLE]

In section 1102, strike subsection (b) and insert the
following new subsection:

1 (b) PAYMENT RATE.—

2 (1) 2008 CROP YEAR.—The payment rates used
3 to make direct payments with respect to covered
4 commodities for the 2008 crop year are as follows:

5 (A) Wheat, \$0.52 per bushel.

6 (B) Corn, \$0.14 per bushel.

7 (C) Grain sorghum, \$0.25 per bushel.

8 (D) Barley, \$0.17 per bushel.

9 (E) Oats, \$0.02 per bushel.

10 (F) Upland cotton, \$0.05 per pound.

11 (G) Rice, \$1.65 per hundredweight.

12 (H) Soybeans, \$0.22 per bushel.

13 (I) Other oilseeds, \$0.01 per pound.

14 (J) Peanuts, \$25.20 per ton.

15 (2) 2009 CROP YEAR.—The payment rates used
16 to make direct payments with respect to covered
17 commodities for the 2009 crop year are as follows:

- 1 (A) Wheat, \$0.52 per bushel.
 - 2 (B) Corn, \$0.13 per bushel.
 - 3 (C) Grain sorghum, \$0.23 per bushel.
 - 4 (D) Barley, \$0.16 per bushel.
 - 5 (E) Oats, \$0.02 per bushel.
 - 6 (F) Upland cotton, \$0.04 per pound.
 - 7 (G) Rice, \$1.53 per hundredweight.
 - 8 (H) Soybeans, \$0.20 per bushel.
 - 9 (I) Other oilseeds, \$0.01 per pound.
 - 10 (J) Peanuts, \$23.40 per ton.
- 11 (3) 2010 CROP YEAR.—The payment rates used
12 to make direct payments with respect to covered
13 commodities for the 2010 crop year are as follows:
- 14 (A) Wheat, \$0.52 per bushel.
 - 15 (B) Corn, \$0.11 per bushel.
 - 16 (C) Grain sorghum, \$0.21 per bushel.
 - 17 (D) Barley, \$0.14 per bushel.
 - 18 (E) Oats, \$0.02 per bushel.
 - 19 (F) Upland cotton, \$0.04 per pound.
 - 20 (G) Rice, \$1.41 per hundredweight.
 - 21 (H) Soybeans, \$0.18 per bushel.
 - 22 (I) Other oilseeds, \$0.01 per pound.
 - 23 (J) Peanuts, \$21.60 per ton.

1 (4) 2011 CROP YEAR.—The payment rates used
2 to make direct payments with respect to covered
3 commodities for the 2011 crop year are as follows:

4 (A) Wheat, \$0.49 per bushel.

5 (B) Corn, \$0.10 per bushel.

6 (C) Grain sorghum, \$0.35 per bushel.

7 (D) Barley, \$0.13 per bushel.

8 (E) Oats, \$0.02 per bushel.

9 (F) Upland cotton, \$0.04 per pound.

10 (G) Rice, \$1.29 per hundredweight.

11 (H) Soybeans, \$0.15 per bushel.

12 (I) Other oilseeds, \$0.01 per pound.

13 (J) Peanuts, \$19.80 per ton.

14 (5) 2012 CROP YEAR.—The payment rates used
15 to make direct payments with respect to covered
16 commodities for the 2012 crop year are as follows:

17 (A) Wheat, \$0.47 per bushel.

18 (B) Corn, \$0.08 per bushel.

19 (C) Grain sorghum, \$0.18 per bushel.

20 (D) Barley, \$0.12 per bushel.

21 (E) Oats, \$0.02 per bushel.

22 (F) Upland cotton, \$0.03 per pound.

23 (G) Rice, \$1.18 per hundredweight.

24 (H) Soybeans, \$0.13 per bushel.

25 (I) Other oilseeds, \$0.01 per pound.

1 (J) Peanuts, \$18.00 per ton.

2 (6) LIMITED RESOURCE FARMERS.—Notwith-
3 standing paragraphs (2), (3), (4), and (5), the pay-
4 ment rates specified in paragraph (1) shall be used
5 for each of the 2008 through 2012 crop years in the
6 case of a limited resource farmer, as defined by the
7 Secretary.

Section 1102 is amended by adding at the end the
following:

8 “(e) CONSERVATION ENHANCED PAYMENT OP-
9 TION.—

10 “(1) IN GENERAL.—All producers on a farm
11 that meet the eligibility requirements of paragraph
12 (2) may, in lieu of direct payments otherwise pro-
13 vided in this section, make a one time election to re-
14 ceive enhanced direct payments through crop year
15 2012 in accordance with this subsection.

16 “(2) ELIGIBILITY.—To be eligible to obtain an
17 enhanced direct payment for a covered commodity
18 for a crop year under this subsection, the producers
19 on a farm shall enter into a contract with the sec-
20 retary under which the producers of the farm agree,
21 for each crop year—

22 “(A) to forgo all counter-cyclical payments
23 under this subtitle and all marketing assistance

1 loans and all loan deficiency payments under
2 subtitle B for the farm subject to a contract
3 under this subsection;

4 “(B) to carry out conservation practices on
5 the farm that are at least equivalent to the re-
6 quirements for land enrolled under the a con-
7 servation security contract entered into under
8 section 1238A of the Food Security Act of 1985
9 (16 U.S.C. 3838a); and

10 “(C) to meet such other requirements as
11 are established by the Secretary.

12 “(3) AMOUNT.—The amount of an enhanced di-
13 rect payment to be paid to the producers on a farm
14 for a covered commodity for a crop year that enter
15 into a contract with the secretary under this sub-
16 section shall be equal to the product obtained by
17 multiplying—

18 “(A) the amount of the direct payment the
19 producers on a farm would otherwise be eligible
20 to receive under subsection (c); and

21 “(B) 110

22 “(4) ONE TIME ENROLLMENT.—Producers on a
23 farm shall have one period of time (as determined by
24 the Secretary) in which to enter into a contract for
25 a conservation enhanced payment.

1 “(5) DE MINIMIS PAYMENTS.—A payment
2 under this section that is less than \$25.00 in
3 amount shall not be tendered to a producer on a
4 farm”.

Section 1103 is amended to read as follows:

5 **SEC. 1103. COUNTER-CYCLICAL PAYMENTS.**

6 Section 1103 of the Farm Security and Rural Invest-
7 ment Act of 2002 (7 U.S.C. 7913) is amended to read
8 as follows:

9 **“SEC. 1103. COUNTER-CYCLICAL PAYMENTS.**

10 “(a) PAYMENT REQUIRED.—The Secretary shall
11 make counter-cyclical payments to producers on farms for
12 which payment yields and base acres are established with
13 respect to a covered commodity, if the Secretary deter-
14 mines that the national actual revenue per acre for the
15 covered commodity (except for other oilseeds) is less than
16 the national target revenue per acre for the covered com-
17 modity, as determined in this section.

18 “(b) NATIONAL ACTUAL REVENUE PER ACRE.—For
19 each covered commodity (except for other oilseeds) for the
20 applicable year, the Secretary shall establish a national ac-
21 tual revenue per acre by multiplying the national average
22 yield for the given year by the higher of:

1 “(1) the national average market price received
2 by producers during the 12-month marketing year
3 established by the Secretary; or

4 “(2) the loan rate.

5 “(c) NATIONAL TARGET REVENUE PER ACRE.—The
6 national target revenue per acre shall be, on a per acre
7 basis, as follows:

8 “(1) Wheat, \$140.42.

9 “(2) Corn, \$344.12.

10 “(3) Grain Sorghum, \$131.28.

11 “(4) Barley, \$123.13.

12 “(5) Oats, \$88.36.

13 “(6) Upland cotton, \$516.86.

14 “(7) Rice, \$548.06.

15 “(8) Soybeans, \$219.58 .

16 “(9) Peanuts, \$683.83.

17 “(d) NATIONAL PAYMENT YIELD.—The national
18 payment yield shall be as follows:

19 “(1) Wheat, 36.1 bushels per acre.

20 “(2) Corn, 114.2 bushels per acre.

21 “(3) Grain Sorghum, 58.1 bushels per acre.

22 “(4) Barley, 48.7 bushels per acre.

23 “(5) Oats, 49.8 bushels per acre.

24 “(6) Upland cotton, 636 pounds per acre.

25 “(7) Rice, 51.24 hundredweight per acre.

1 “(8) Soybeans, 34.1 bushels per acre.

2 “(9) Peanuts, 1.495 tons per acre.

3 “(e) NATIONAL PAYMENT RATE.—The national pay-
4 ment rate used to make counter-cyclical payments for a
5 crop year shall be the result of—

6 “(1) the difference between the national target
7 revenue per acre for the covered commodity and the
8 national actual revenue per acre for the covered
9 commodity; divided by

10 “(2) the national payment yield for the covered
11 commodity.

12 “(f) PAYMENT AMOUNT.—If counter-cyclical pay-
13 ments are required to be paid for any of the 2008 through
14 2012 crop years of a covered commodity, the amount of
15 the counter-cyclical payment to be paid to the producers
16 on a farm for that crop year for the covered commodity
17 shall be equal to the product of —

18 “(1) the national payment rate for the covered
19 commodity;

20 “(2) the payment acres of the covered com-
21 modity on the farm; and

22 “(3) the payment yield for counter-cyclical pay-
23 ments for the covered commodity.

24 “(g) TIME FOR PAYMENTS.—

1 “(1) GENERAL RULE.—If the Secretary deter-
2 mines that counter-cyclical payments are required to
3 be made under this section for the crop of a covered
4 commodity, the Secretary shall make the counter-cy-
5 clical payments for the crop as soon as practicable
6 after the end of the 12-month marketing year for
7 the covered commodity.

8 “(2) AVAILABILITY OF PARTIAL PAYMENTS.—
9 If, before the end of the 12-month marketing year
10 for a covered commodity, the Secretary estimates
11 that counter-cyclical payments will be required for
12 the crop of the covered commodity, the Secretary
13 shall give producers on a farm the option to receive
14 partial payments of the counter-cyclical payment
15 projected to be made for that crop of the covered
16 commodity.

17 “(3) TIME FOR PARTIAL PAYMENTS.—When the
18 Secretary makes partial payments available under
19 paragraph (2) for a covered commodity—

20 “(A) the first partial payment for the crop
21 year shall be made not earlier than October 1,
22 and, to the maximum extent practicable, not
23 later than October 31, of the calendar year in
24 which the crop of the covered commodity is har-
25 vested;

1 “(B) the second partial payment shall be
2 made not earlier than February 1 of the next
3 calendar year; and

4 “(C) the final partial payment shall be
5 made as soon as practicable after the end of the
6 12-month marketing year for the covered com-
7 modity.

8 “(4) AMOUNT OF PARTIAL PAYMENTS.—

9 “(A) FIRST PARTIAL PAYMENT.—The first
10 partial payment under paragraph (3) to the
11 producers on a farm may not exceed 35 percent
12 of the projected counter-cyclical payment for
13 the covered commodity for the crop year, as de-
14 termined by the Secretary.

15 “(B) SECOND PARTIAL PAYMENT.—The
16 second partial payment under paragraph (3) for
17 a covered commodity for a crop year may not
18 exceed the difference between—

19 “(i) 70 percent of the projected
20 counter-cyclical payment (including any re-
21 vision thereof) for the crop of the covered
22 commodity; and

23 “(ii) the amount of the payment made
24 under subparagraph (A).

1 “(C) FINAL PAYMENT.—The final payment
2 for the crop year shall be equal to the difference
3 between—

4 “(i) the actual counter-cyclical pay-
5 ment to be made to the producers for the
6 covered commodity for that crop year; and

7 “(ii) the amount of the partial pay-
8 ments made to the producers on a farm
9 under subparagraphs (A) and (B) for that
10 crop year.

11 “(5) REPAYMENT.—Producers on a farm that
12 receive a partial payment under this subsection for
13 a crop year shall repay to the Secretary the amount,
14 if any, by which the total of the partial payments ex-
15 ceed the actual counter-cyclical payment to be made
16 for the covered commodity for that crop year.

17 “(h) DE MINIMIS PAYMENTS.—A payment under this
18 section that is less than \$25.00 in amount shall not be
19 tendered to a producer on a farm.”.

 In section 1105(a)(1)(D) insert “, residential” after
“commercial” and after the period at the end insert the
following: “In the case of a parcel of land that at anytime
subsequent to the enactment of the Federal Agriculture
Improvement and Reform Act of 1996 is subdivided,
transferred to a new owner and used for the construction

of a new residence, the base acres for covered commodities for the farm shall be eliminated, unless the owner of such residence receives at least \$10,000 of gross income from farming or ranching and the owner of such residence receives gross income from farming or ranching exceeding at least half of their adjusted gross income.”

Section 1201(a)(1) is amended by striking “For each of” and all that follows through “loan commodity, the” and inserting “The”

Section 1201(b) is amended to read as follows:

1 (b) ELIGIBLE PRODUCTION.—

2 (1) IN GENERAL.—The producers on a farm
3 shall be eligible for a marketing assistance loan
4 under subsection (a) for any quantity of a loan com-
5 modity produced on the farm. In addition, such pro-
6 ducers must have beneficial interest, as determined
7 under paragraph (2), in the commodity at the time
8 the commodity is tendered as collateral for such
9 loan.

10 (2) BENEFICIAL INTEREST.—In order to have
11 beneficial interest in a commodity, a producer shall:

12 (A) be the producer of the commodity;

1 (B) possess and maintain ownership and
2 control of the commodity;

3 (C) not have received any payment from
4 any party with respect to the commodity; and

5 (D) satisfy other criteria, as determined by
6 the Secretary.

7 (3) INELIGIBLE PRODUCTION.—A crop of a
8 loan commodity shall be ineligible for a marketing
9 assistance loan if the crop was produced on land of
10 a farm that has been subject to a land transaction
11 covered under section 1101(c).

Section 1201(e) is amended to read as follows:

12 (e) ADJUSTMENTS OF LOANS.—

13 (1) ADJUSTMENT AUTHORITY.—The Secretary
14 may make appropriate adjustments in the loan rates
15 for any commodity for differences in grade, type,
16 quality, location, and other factors.

17 (2) MANNER OF ADJUSTMENT.—The adjust-
18 ments under the authority of this section shall, to
19 the maximum extent practicable, be made in such
20 manner that the national average loan rate for the
21 commodity will, on the basis of the anticipated inci-
22 dence of the factors, be equal to the level of support
23 determined as provided in this title.

1 (f) HANDLING AND STORAGE CHARGES.—All pay-
2 ments for storage, handling or other charges associated
3 with a loan commodity subject to a marketing assistance
4 loan or loan deficiency payment under this subtitle are the
5 responsibility of the producer and shall not be paid by the
6 Secretary.

Section 1202 is amended to read as follows:

7 **SEC. 1202. LOAN RATES FOR NONRECOURSE MARKETING**
8 **ASSISTANCE LOANS.**

9 (a) IN GENERAL.—Except as provided in subsection
10 (b), the loan rate for each crop of a loan commodity shall
11 be equal to the amount determined by multiplying:

12 (1) .85; and

13 (2) the average of the national average market
14 price received by producers during the five preceding
15 marketing years, excluding the highest and lowest
16 prices determined for such years, as determined by
17 the Secretary.

18 (b) LOAN RATES.—The loan rate determined under
19 (a) shall not exceed, in the case of—

20 (1) wheat, \$2.58 per bushel;

21 (2) corn, \$1.89 per bushel;

22 (3) grain sorghum, \$1.89 per bushel;

23 (4) barley, \$1.70 per bushel;

24 (5) oats, \$1.21 per bushel;

- 1 (6) upland cotton, \$0.5192 per pound;
- 2 (7) extra long staple cotton, \$0.7965 per
- 3 pound;
- 4 (8) rice, \$6.50 per hundredweight;
- 5 (9) soybeans, \$4.92 per bushel;
- 6 (10) other oilseeds, \$0.087 per pound;
- 7 (11) graded wool, \$1.00 per pound;
- 8 (12) nongraded wool, \$0.40 per pound;
- 9 (13) mohair, \$4.20 per pound;
- 10 (14) honey, \$0.60 per pound;
- 11 (15) dry peas, \$6.22 per hundredweight;
- 12 (16) lentils, \$11.72 per hundredweight;
- 13 (17) small chickpeas, \$7.43 per hundredweight;
- 14 and
- 15 (18) peanuts, \$350.00 per ton.

Section 1204(a) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7934) is amended to read as follows:

- 16 (a) GENERAL RULE.—
- 17 (1) REPAYMENT OF COMMODITY LOANS.—The
- 18 Secretary shall permit the producers on a farm to
- 19 repay a marketing assistance loan under section
- 20 1201 for a loan commodity (other than upland cot-
- 21 ton, rice, extra long staple cotton, confectionary and

1 each other kind of sunflower seed (other than oil
2 sunflower seed)) at a rate that is the lesser of—

3 (A) the loan rate established for the com-
4 modity under section 1202, plus interest (deter-
5 mined in accordance with section 163 of the
6 Federal Agriculture Improvement and Reform
7 Act of 1996 (7 U.S.C. 7283)); or

8 (B) a rate that the Secretary determines
9 will—

10 (i) minimize potential loan forfeitures;

11 (ii) minimize the accumulation of
12 stocks of the commodity by the Federal
13 Government;

14 (iii) minimize the cost incurred by the
15 Federal Government in storing the com-
16 modity;

17 (iv) allow the commodity produced in
18 the United States to be marketed freely
19 and competitively, both domestically and
20 internationally; and

21 (v) minimize discrepancies in mar-
22 keting loan benefits across State bound-
23 aries and across county boundaries.

24 (2) RATE ADJUSTMENTS.—

1 (A) IN GENERAL.—Subject to subpara-
2 graph (B) and except as provided in subsection
3 (b), repayment rates established under this sec-
4 tion shall be adjusted by the Secretary no more
5 than once every month for all loan commodities.

6 (B) MONTHLY REPAYMENT RATE.—In es-
7 tablishing the monthly repayment rates with re-
8 spect to wheat, corn, grain sorghum, barley,
9 oats and soybeans, the rates shall be established
10 by using the rates determined for five days in
11 the previous month as determined in regula-
12 tions issued by the Secretary, which shall—

13 (i) exclude the rates for days that rep-
14 resent the highest and lowest rates for the
15 5 day period; and

16 (ii) use the average of the three re-
17 maining rates to establish the monthly re-
18 payment rate.

19 (3) DATE FOR DETERMINING REPAYMENT
20 RATE.—With respect to the monthly repayment
21 rates established under paragraph (2) and sub-
22 section (b) and (c), the rate shall be—

23 (A) in the case of a producer who, as de-
24 termined by the Secretary, loses beneficial in-
25 terest immediately upon repayment of the loan,

1 the monthly repayment rate determined under
2 paragraph (2) and subsection (b) and (c) that
3 is in effect on the date beneficial interest is lost;
4 and

5 (B) in the case of other producers who did
6 not lose beneficial interest upon repayment of
7 the loan, the repayment rate in effect on the
8 earlier of:

9 (i) the month in which the loan ma-
10 tures; or

11 (ii) the last month of the marketing
12 year established by the Secretary for the
13 commodity.

14 (4) REPAYMENT OF CONFECTIONARY AND
15 OTHER KINDS OF SUNFLOWER SEEDS LOANS.—The
16 Secretary shall permit the producers on a farm to
17 repay a marketing assistance loan under section
18 1201 for confectionary and each other kind of sun-
19 flower seed (other than oil sunflower seed) at a rate
20 that is the lesser of—

21 (A) the loan rate established for the com-
22 modity under section 1202, plus interest (deter-
23 mined in accordance with section 163 of the
24 Federal Agriculture Improvement and Reform
25 Act of 1996 (7 U.S.C. 7283)); or

1 (B) the repayment rate established for oil
2 sunflower seed.

3 (5) QUALITY GRADES FOR DRY PEAS, LENTILS,
4 AND SMALL CHICKPEAS.—The loan repayment rates
5 for dry peas, lentils, and small chickpeas shall be
6 based on the quality grades for the applicable com-
7 modity.

Section 1204(e) is amended to read as follows:

8 (e) ADJUSTMENT OF PREVAILING WORLD MARKET
9 PRICE FOR UPLAND COTTON.—During the period begin-
10 ning on the date of the enactment of this Act through
11 July 31, 2012, the prevailing world market price for up-
12 land cotton (adjusted to United States quality and loca-
13 tion) established under subsection (d) shall be further ad-
14 justed if—

15 (1) the adjusted prevailing world market price
16 for upland cotton is less than 115 percent of the
17 loan rate for upland cotton established under section
18 1202, as determined by the Secretary; and

19 (2) the Friday through Thursday average price
20 quotation for the lowest-priced United States growth
21 as quoted for Middling (M) 1 3/32-inch cotton, deliv-
22 ered C.I.F. Northern Europe (referred to in this sec-
23 tion as the “Northern Europe price”).

Section 1204 is amended by striking subsections (f) through (h).

Section 1205(a) is amended by inserting after paragraph (1) the following new paragraph (and redesignating succeeding paragraphs accordingly):

1 (2) BENEFICIAL INTEREST.—At the time pro-
2 ducers request payments under this section, the pro-
3 ducers must have beneficial interest, as defined in
4 section 1201(b)(2), in the commodity for which such
5 payment is requested.

Section 1205(c) is amended to read as follows:

6 (c) PAYMENT RATE.—

7 (1) LOAN COMMODITIES.—

8 (A) IN GENERAL.—With respect to all loan
9 commodities except extra long staple cotton, the
10 payment rate shall be determined as of the day
11 the producer loses beneficial interest in the
12 commodity.

13 (B) FORMULA.—The payment rate under
14 subparagraph (A) shall be the amount that
15 equals the difference between—

16 (i) the loan rate established under sec-
17 tion 1202 for the loan commodity; and

1 (ii) the monthly repayment rate deter-
2 mined for the commodity under section
3 1204.

4 (2) UNSHORN PELTS.—In the case of unshorn
5 pelts, the payment rate shall be the amount that
6 equals the difference between—

7 (A) the loan rate established under section
8 1202 for ungraded wool: and

9 (B) the rate at which ungraded wool may
10 be redeemed under section 1204.

11 (3) HAY, SILAGE, FEED AND SIMILAR USES.—

12 (A) IN GENERAL.—In the case of a com-
13 modity that would otherwise be eligible to be
14 pledged as collateral for a marketing assistance
15 loan at the time of harvest of the commodity,
16 but cannot be pledged due to the normal com-
17 mercial state of the commodity, the payment
18 rate shall be the average of the monthly repay-
19 ment rates established for the first three
20 months of the marketing year of the com-
21 modity, as determined by the Secretary.

22 (B) INCLUSIONS.—Commodities covered by
23 subparagraph (A) shall be determined by the
24 Secretary, and shall include hay, silage, cracked

1 corn, and corn stored in a commingled manner
2 by feedlots.

In section 1206(d) strike “A 2002 through 2007 crop of” and inserting “A crop of”.

In section 1207 strike subsection (b) and redesignate subsection (c) as subsection (b).

Section 1208 of Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7938) is amended

(1) by striking the section;

(2) by redesignating section 1209 as section 1208;

(3) in section 1208 (as redesignated in paragraph (2)) (A) in subsection (a)(1) by striking “For each of the 2002 through 2007 crops of” and inserting “For each crop of” (B) in subsection (b) by striking “For each of the 2002 through 2007 crops of” and inserting “For each crop of”; and (C) by striking subsection (d).

In subtitle C strike sections 1301, 1302, and 1303 and insert the following:

3 SEC. 1301. SUGAR PROGRAM.

4 Section 156(j) of the Federal Agriculture Improve-
5 ment and Reform Act of 1996 (7 U.S.C. 7272(j)) is
6 amended by striking “2007” and inserting “2012”.

1 **SEC. 1302. FLEXIBLE MARKETING ALLOTMENTS FOR**
2 **SUGAR.**

3 Section 359b(a)(1) of the Agricultural Adjustment
4 Act of 1938 (7 U.S.C. 1359bb(a)(1)) is amended in the
5 matter preceding subparagraph (A) by striking “2007”
6 and inserting “2012”.

Section 1409 is amended to read as follows:

7 **SEC. 1409. FEDERAL DAIRY COMMISSION.**

8 (a) **ESTABLISHMENT.**—The secretary of agriculture
9 shall establish a commission to be known as the “federal
10 dairy commission”, in this section referred to as the “com-
11 mission”, which shall conduct a comprehensive review and
12 evaluation of—

13 (1) the current Federal and non-Federal milk
14 marketing order systems;

15 (2) the milk income loss contracting program;

16 (3) the forward contracting program;

17 (4) the 9.90 dairy price support system; and

18 (5) programs in the European Union and other
19 major dairy exporting countries that may have a
20 trade distorting effect.

21 (b) **ELEMENT OF REVIEW AND EVALUATION.**—As
22 part of the review and evaluation under this section, the
23 commission shall evaluate how well the programs accom-

1 plish the following goals, providing legislative and regu-
2 latory recommendations for achieving these goals

3 (1) ensuring the competitiveness of dairy prod-
4 ucts;

5 (2) enhancing the competitiveness of American
6 dairy products in world markets;

7 (3) increasing the responsiveness of dairy pro-
8 grams to market forces;

9 (4) ensuring an adequate safety net for dairy
10 farmers;

11 (5) streamlining, simplifying, and expediting
12 the administration of these programs; and

13 (6) continuing to serve the interest of the pub-
14 lic, dairy processors, and dairy farmers;

15 (7) operating in a manner to minimize costs to
16 taxpayers;

17 (8) ensuring that we meet our trade obligations;
18 and

19 (9) ensuring the safety of our dairy supply.

20 (c) MEMBERSHIP.—

21 (1) COMPOSITION.—The commission shall con-
22 sist of 16 members and shall include the following
23 representation:

24 (A) Geographical diversity.

25 (B) Diversity in size of operation.

1 (C) At least one State with a Federal mar-
2 keting order.

3 (D) At least one State with a state mar-
4 keting order.

5 (E) At least one State with no marketing
6 order.

7 (F) At least two dairy producers.

8 (G) At least two dairy processors.

9 (H) At least one trade experts.

10 (I) At least one State official.

11 (J) At least one Federal official.

12 (K) At least one nongovernmental organi-
13 zation.

14 (L) At least one economist.

15 (M) At least one representative of a land
16 grant university.

17 (2) APPOINTMENTS.—Within 3 months of the
18 date of enactment, commission members shall be ap-
19 pointed as follows:

20 (A) Two members appointed by the Major-
21 ity Leader of the Senate, in consultation with
22 the Chair and ranking member of the Com-
23 mittee on Agriculture of the House of Rep-
24 resentatives.

1 (B) Two members appointed by the Speak-
2 er of the House of Representatives, in consulta-
3 tion with the Chair and ranking member of the
4 Senate Committee on Agriculture, Nutrition
5 and Forestry of the Senate.

6 (C) Fourteen members appointed by the
7 Secretary of Agriculture.

8 (3) CHAIR.—The commission shall elect one of
9 its members to serve as chairperson during the dura-
10 tion of the commission's proceedings.

11 (4) VACANCY.—Any vacancy occurring before
12 the termination of the commission shall be filled in
13 the same manner as the original appointment.

14 (5) COMPENSATION.—Members of the commis-
15 sion shall serve without compensation, but shall be
16 reimbursed by the Secretary from existing budgetary
17 resources for necessary and reasonable expenses in-
18 curred in the performance of the duties of the com-
19 mission.

20 (d) REPORT.—Not later than three years after the
21 date of establishment of the commission, the commission
22 shall submit to Congress and the Secretary of Agriculture
23 a report setting forth the results of the review and evalua-
24 tion conducted under this section, including recommenda-
25 tions regarding legislative and regulatory options for ac-

1 completing the goals under subsection (____). The report
2 findings shall reflect, to the greatest extent possible, a con-
3 sensus opinion of the commission members, but shall in-
4 clude majority and minority findings and their supporters
5 regarding those matters for which consensus was not
6 reached.

7 (e) ADVISORY NATURE.—The commission is wholly
8 advisory in nature and bound by the requirements of the
9 FACA.

10 (f) NO EFFECT ON EXISTING PROGRAMS.—The Sec-
11 retary shall not allow the existence of the commission to
12 impede, delay, or otherwise affect any regulatory decision-
13 making.

14 (g) ADMINISTRATIVE ASSISTANCE.—The Secretary
15 shall provide administrative support to the commission,
16 and expend such funds as necessary from existing budget
17 authority to carry out this responsibility.

18 (h) AUTHORIZATION OF APPROPRIATIONS.—There
19 are authorized to be appropriated such sums as are nec-
20 essary to carry out this section.

21 (i) TERMINATION.—The commission shall terminate
22 60 days after submission of the report under subpara-
23 graph (D), during which time it will remain available to
24 answer question of Congress and the Secretary regarding
25 the report.

Strike sections 1503 and 1504 and insert the following:

1 **SEC. 1503. PAYMENT LIMITATIONS.**

2 Section 1001 of the Food Security Act of 1985 (7
3 U.S.C. 1308) is amended—

4 (1) in subsection (a) by striking paragraphs (1)
5 and (2) and inserting the following:

6 “(1) ENTITY.—

7 “(A) IN GENERAL.—THE TERM ‘ENTITY’
8 MEANS.—

9 “(i) an organization that (subject to
10 the requirements of this section and sec-
11 tion 1001A) is eligible to receive a pay-
12 ment under a provision of law referred to
13 in subsection (b) or (c);

14 “(ii) a corporation, joint stock com-
15 pany, association, limited partnership, lim-
16 ited liability company, limited liability
17 partnership, charitable organization, es-
18 tate, irrevocable trust, a grantor of a rev-
19 ocable trust, or other similar entity (as de-
20 termined by the Secretary); and

21 “(iii) an organization that is partici-
22 pating in a farming operation as a partner

1 in a general partnership or as a participant
2 in a joint venture.

3 “(B) EXCLUSION.—Except in section
4 1001F, the term ‘entity’ does not include a gen-
5 eral partnership or joint venture.

6 “(C) ESTATES.—In defining the term enti-
7 ties as it will apply to estates, the Secretary
8 shall ensure that fair and equitable treatment is
9 given to estates and the beneficiaries thereof.

10 “(D) IRREVOCABLE TRUSTS.—In defining
11 the term entities as it will apply to irrevocable
12 trusts, the Secretary shall ensure that irrev-
13 ocable trusts are legitimate entities and have
14 not been created for the purpose of avoiding the
15 payment limitation.

16 “(2) INDIVIDUAL.—The term ‘individual’
17 means—

18 “(A) a natural person, and any minor child
19 of the natural person (as determined by the
20 Secretary), who, subject to the requirements of
21 this section and section 1001A, is eligible to re-
22 ceive a payment under a provision of law re-
23 ferred to in subsection (b), (c), or (d); and

24 “(B) a natural person participating in a
25 farming operation as a partner in a general

1 partnership, a participant in a joint venture, a
2 grantor of a revocable trust, or a participant in
3 a similar entity (as determined by the Sec-
4 retary).

5 “(3) SECRETARY.—The term ‘Secretary’ means
6 the Secretary of Agriculture.”.

7 (2) by striking subsections (b) through (f) and
8 inserting the following:

9 “(b) LIMITATION ON DIRECT PAYMENTS.—The total
10 amount of direct payments that an individual or entity
11 may receive, directly or indirectly, during any crop year
12 under subtitle A or C of title I of the Farm Security and
13 Rural Investment Act of 2002 (7 U.S.C. 7911 et seq.)
14 for 1 or more covered commodities or peanuts shall not
15 exceed \$20,000.

16 “(c) LIMITATION ON COUNTER-CYCLICAL PAY-
17 MENTS.—The total amount of counter-cyclical payments
18 that an individual or entity may receive, directly or indi-
19 rectly, during any crop year under subtitle A or C of title
20 I of the Farm Security and Rural Investment Act of 2002
21 (7 U.S.C. 7911 et seq.) for 1 or more covered commodities
22 or peanuts shall not exceed \$30,000.

23 “(d) LIMITATIONS ON MARKETING LOAN GAINS,
24 LOAN DEFICIENCY PAYMENTS, AND COMMODITY CER-
25 TIFICATE TRANSACTIONS.—The total amount of the fol-

1 lowing gains and payments that an individual or entity
2 may receive during any crop year may not exceed \$75,000.

3 “(1)(A) Any gain realized by a producer from
4 repaying a marketing assistance loan for 1 or more
5 loan commodities or peanuts under subtitle B of title
6 I of the Farm Security and Rural Investment Act of
7 2002 (7 U.S.C. 7931 et seq.) at a lower level than
8 the original loan rate established for the loan com-
9 modity under that subtitle.

10 “(B) In the case of settlement of a marketing
11 assistance loan for 1 or more loan commodities
12 under that subtitle by forfeiture, the amount by
13 which the loan amount exceeds the repayment
14 amount for the loan if the loan had been settled by
15 repayment instead of forfeiture.

16 “(2) Any loan deficiency payments received for
17 1 or more loan commodities under that subtitle.

18 “(3) Any gain realized from the use of a com-
19 modity certificate issued by the Commodity Credit
20 Corporation for 1 or more loan commodities, as de-
21 termined by the Secretary, including the use of a
22 certificate for the settlement of a marketing assist-
23 ance loan made under that subtitle or section 1307
24 of that Act (7 U.S.C. 7957).

1 “(e) PAYMENT TO INDIVIDUALS AND ENTITIES.—

2 Notwithstanding subsections (b) through (d), an indi-
3 vidual or entity, directly or indirectly through all owner-
4 ship interests of the individual or entity from all sources,
5 may received payments for a fiscal or corresponding crop
6 year up to but not exceeding twice the limitations estab-
7 lished under subsections (b) through (d).

8 “(f) SINGLE FARMING OPERATION.—Notwith-
9 standing subsections (b) through (d), subject to paragraph
10 (2), an individual or entity that participates only in a sin-
11 gle farming operation and receives, directly or indirectly,
12 any payment or gain covered by this section through the
13 farming operation, may receive payments for a fiscal or
14 corresponding crop year up to but not exceeding twice the
15 limitations established under subsections (b) through (d).

16 “(g) SPOUSAL EQUITY.—

17 “(1) IN GENERAL.—Notwithstanding sub-
18 sections (b), (c), (d), (e) and (f) except as provided
19 in paragraph (2), if an individual and the spouse of
20 the individual are covered by paragraph (2) and re-
21 ceive, directly or indirectly, any payment or gain cov-
22 ered by this section, the total amount of payments
23 or gains (as applicable) covered by this section that
24 the individual and spouse may jointly receive during
25 any crop year may not exceed an amount equal to

1 twice the applicable dollar amounts specified in sub-
2 sections (b), (c), and (d).

3 “(2) EXCEPTIONS.—

4 “(A) SEPARATE FARMING OPERATIONS.—

5 In the case of a married couple in which each
6 spouse, before the marriage, was separately en-
7 gaged in an unrelated farming operation, each
8 spouse shall be treated as a separate individual
9 with respect to a farming operation brought
10 into the marriage by a spouse, subject to the
11 condition that the farming operation shall re-
12 main a separate farming operation, as deter-
13 mined by the Secretary.

14 “(B) ELECTION TO RECEIVE SEPARATE
15 PAYMENTS.—A married couple may elect to re-
16 ceive payments separately in the name of each
17 spouse if the total amount of payments and
18 benefits described in subsections (b), (c), and
19 (d) that the married couple receives, directly or
20 indirectly, does not exceed an amount equal to
21 twice the applicable dollar amounts specified in
22 those subsections.

23 “(h) PUBLIC SCHOOLS.—The provisions of this sec-
24 tion that limit payments to any individual or entity shall
25 not be applicable to land owned by a public school district

1 or land owned by a State that is used to maintain a public
2 school.

3 “(i) TIME LIMITS; RELIANCE.—Regulations of the
4 Secretary shall establish time limits for the various steps
5 involved with notice, hearing, decision, and the appeals
6 procedure in order to ensure expeditious handling and set-
7 tlement of payment limitation disputes. Notwithstanding
8 any other provision of law, actions taken by an individual
9 or other entity in good faith on action or advice of an au-
10 thorized representative of the Secretary may be accepted
11 as meeting the requirement under this section or section
12 1001A, to the extent the Secretary deems it desirable in
13 order to provide fair and equitable treatment.”.

14 **SEC. 1504. PAYMENTS LIMITED TO ACTIVE FARMERS.**

15 Section 1001A of the Food Security Act of 1985 (7
16 U.S.C. 1308–1) is amended—

17 (1) by striking the section designation and
18 heading and all that follows through the end of sub-
19 section (a) and inserting the following:

20 “(a) SUBSTANTIVE CHANGE.—

21 “(1) IN GENERAL.—For purposes of the appli-
22 cation of limitations under this section, the Sec-
23 retary shall not approve any change in a farming op-
24 eration that otherwise would increase the number of
25 individuals or entities (as defined in section 1001(a))

1 to which the limitations under this section apply, un-
2 less the Secretary determines that the change is
3 bona fide and substantive.

4 “(2) FAMILY MEMBERS.—For the purpose of
5 paragraph (1), the addition of a family member (as
6 defined in subsection (b)(2)(A)) to a farming oper-
7 ation under the criteria established under subsection
8 (b)(3)(B) shall be considered to be a bona fide and
9 substantive change in the farming operation.

10 “(3) PRIMARY CONTROL.—To prevent a farm
11 from reorganizing in a manner that is inconsistent
12 with the purposes of this Act, the Secretary shall
13 promulgate such regulations as the Secretary deter-
14 mines to be necessary to simultaneously attribute
15 payments for a farming operation to more than one
16 individual or entity, including the individual or enti-
17 ty that exercises primary control over the farming
18 operation, including to respond to —

19 “(A)(i) any instance in which ownership of
20 a farming operation is transferred to an indi-
21 vidual or entity under an arrangement that pro-
22 vides for the sale or exchange of any asset or
23 ownership interest in 1 or more entities at less
24 than fair market value; and

1 “(ii) the transferor is provided preferential
2 rights to repurchase the asset or interest at less
3 than fair market value; or

4 “(B) a sale or exchange of any asset or
5 ownership interest in 1 or more entities under
6 an arrangement under which rights to exercise
7 control over the asset or interest are retained,
8 directly or indirectly, by the transferor.”

9 (2) in subsection (b)—

10 (A) by striking paragraph (1) and insert-
11 ing the following:

12 “(1) IN GENERAL.—To be eligible to receive, di-
13 rectly or indirectly, payments or benefits described
14 as being subject to limitation in subsection (b) or (c)
15 of section 1001 with respect to a particular farming
16 operation, an individual or entity (as defined in sec-
17 tion 1001(a)) shall be actively engaged in farming
18 with respect to the farming operation, in accordance
19 with paragraphs (2), (3), and (4).”;

20 (B) in paragraph (2)—

21 (i) by striking subparagraphs (A),
22 (B), and (C) and inserting the following:

23 “(A) DEFINITIONS.—In this paragraph:

24 “(i) ACTIVE PERSONAL MANAGE-
25 MENT.—The term ‘active personal manage-

1 ment’ means with respect to an individual,
2 administrative duties carried out by the in-
3 dividual for a farming operation—

4 “(I) that are personally provided
5 by the individual on a regular, sub-
6 stantial, and continuing basis; and

7 “(II) relating to the supervision
8 and direction of—

9 “(aa) activities and labor in-
10 volved in the farming operation;
11 and

12 “(bb) onsite services directly
13 related and necessary to the
14 farming operation.

15 “(ii) FAMILY MEMBER.—The term
16 ‘family member’, with respect to an indi-
17 vidual participating in a farming operation,
18 means an individual who is related to the
19 individual as a lineal ancestor, a lineal de-
20 scendant, or a sibling (including a spouse
21 of such and individual).

22 “(B) ACTIVE ENGAGEMENT.—Except as
23 provided in paragraph (3), for purposes of
24 paragraph (1), the following shall apply:

1 “(i) An individual shall be considered
2 to be actively engaged in farming with re-
3 spect to a farming operation if—

4 “(I) the individual makes a sig-
5 nificant contribution, as determined
6 under subparagraph (E) (based on the
7 total value of the farming operation),
8 to the farming operation of—

9 “(aa) capital, equipment, or
10 land; and

11 “(bb) personal labor and ac-
12 tive personal management;

13 “(II) the share of the individual
14 of the profits or losses from the farm-
15 ing operation is commensurate with
16 the contributions of the individual to
17 the operation; and

18 “(III) a contribution of the indi-
19 vidual is at risk.

20 “(ii) An entity shall be considered to
21 be actively engaged in farming with respect
22 to a farming operation if—

23 “(I) the entity makes a signifi-
24 cant contribution, as determined
25 under subparagraph (E) (based on the

1 total value of the farming operation),
2 to the farming operation of capital,
3 equipment, or land;

4 “(II)(aa) the stockholders or
5 members that collectively own at least
6 51 percent of the combined beneficial
7 interest in the entity each make a sig-
8 nificant contribution of personal labor
9 and active personal management to
10 the operation; or

11 “(bb) in the case of an entity in
12 which all of the beneficial interests
13 are held by family members, any
14 stockholder or member (or household
15 comprised of a stockholder or member
16 and the spouse of the stockholder or
17 member) who owns at least 10 per-
18 cent of the beneficial interest in the
19 entity makes a significant contribution
20 of personal labor or active personal
21 management; and

22 “(III) the entity meets the re-
23 quirements of subclauses (II) and
24 (III) of clause (i).

1 “(C) ENTITIES MAKING SIGNIFICANT CON-
2 TRIBUTIONS.—If a general partnership, joint
3 venture, or similar entity (as determined by the
4 Secretary) separately makes a significant con-
5 tribution (based on the total value of the farm-
6 ing operation involved) of capital, equipment, or
7 land, the partners or members making a signifi-
8 cant contribution of personal labor or active
9 personal management and meeting the stand-
10 ards provided in subclauses (II) and (III) of
11 subparagraph (B)(i), shall be considered to be
12 actively engaged in farming with respect to the
13 farming operation”; and

14 (ii) by adding at the end the fol-
15 lowing:

16 “(E) SIGNIFICANT CONTRIBUTION OF PER-
17 SONAL LABOR OR ACTIVE PERSONAL MANAGE-
18 MENT.—

19 “(i) IN GENERAL.—Subject to clause
20 (ii), for purposes of subparagraph (B), an
21 individual shall be considered to be pro-
22 viding, on behalf of the individual or an
23 entity, a significant contribution of per-
24 sonal labor or active personal management,
25 if the total contribution of personal labor

1 and active personal management is at least
2 equal to the lesser of—

3 “(I) 1,000 hours; and

4 “(II) a period of time equal to—

5 “(aa) 50 percent of the com-
6 mensurate share of the total
7 number of hours of personal
8 labor and active personal man-
9 agement required to conduct the
10 farming operation; or

11 “(bb) in the case of a stock-
12 holder or member (or household
13 comprised of a stockholder or
14 member and the spouse of the
15 stockholder or member) that
16 owns at least 10 percent of the
17 beneficial interest in an entity in
18 which all of the beneficial inter-
19 ests are held by family members,
20 50 percent of the commensurate
21 share of hours of the personal
22 labor and active personal man-
23 agement of all family members
24 required to conduct the farming
25 operation.

1 “(ii) MINIMUM LABOR HOURS.—For
2 the purpose of clause (i), the minimum
3 number of labor hours required to produce
4 a commodity shall be equal to the number
5 of hours that would be necessary to con-
6 duct a farming operation for the produc-
7 tion of each commodity that is comparable
8 in size to the commensurate share of an
9 individual or entity in the farming oper-
10 ation for the production of the commodity,
11 based on the minimum number of hours
12 per acre required to produce the com-
13 modity in the State in which the farming
14 operation is located, as determined by the
15 Secretary.”

16 (C) in paragraph (3) by striking subpara-
17 graphs (A), (B), and (C) and inserting the fol-
18 lowing:

19 “(A) LANDOWNERS.—An individual or en-
20 tity that is a landowner contributing owned
21 land, and that meets the requirements of sub-
22 clauses (II) and (III) of paragraph (2)(B)(i), if
23 as determined by the Secretary —

1 “(i) the landowner share-rents the
2 land at a rate that is usual and customary;
3 and

4 “(ii) the share received by the land-
5 owner is commensurate with the share of
6 the crop or income received as rent.

7 “(B) FAMILY MEMBERS.—With respect to
8 a farming operation conducted by individuals
9 who are family members, or an entity the ma-
10 jority of whose stockholders or members are
11 family members, an adult family member who
12 makes a significant contribution (based on the
13 total value of the farming operation) of active
14 personal management or personal labor and,
15 with respect to such contribution, who meets
16 the requirements of subclauses (II) and (III) of
17 paragraph (2)(B)(i).

18 “(C) SHARECROPPERS.—A sharecropper
19 who makes a significant contribution of per-
20 sonal labor to the farming operation and, with
21 respect to such contribution, who meets the re-
22 quirements of subclauses (II) and (III) of para-
23 graph (2)(B)(i), and who was receiving pay-
24 ments from the landowner as a sharecropper
25 prior to the effective date of this Act.”

1 (D) in paragraph (4)—

2 (i) in the paragraph heading, by strik-
3 ing “PERSONS” and inserting “INDIVID-
4 UALS AND ENTITIES”;

5 (ii) in the matter preceding subpara-
6 graph (A), by striking “persons” and in-
7 serting “individuals and entities”; and

8 (iii) by striking subparagraph (B) and
9 inserting the following:

10 “(B) OTHER INDIVIDUALS AND ENTI-
11 TIES.—Any other individual or entity, or class
12 of individuals or entities, that fails to meet the
13 requirements of paragraphs (2) and (3), as de-
14 termined by the Secretary.”

15 (E) by redesignating paragraphs (5) and
16 (6) as paragraphs (6) and (7), respectively;

17 (F) by inserting after paragraph (4) the
18 following:

19 “(5) PERSONAL LABOR AND ACTIVE PERSONAL
20 MANAGEMENT.—No stockholder or member may
21 provide personal labor or active personal manage-
22 ment to meet the requirements of this subsection for
23 individuals or entities that collectively receive, di-
24 rectly or indirectly, an amount equal to more than

1 twice the applicable limits under subsections (b), (c),
2 and (d) of section 1001.”

3 (G) In paragraph (6) (as redesignated by
4 subparagraph (e))

5 (i) in the first sentence—

6 (I) by striking “A person” and
7 inserting “An individual or entity”;
8 and

9 (II) by striking “such person”
10 and inserting “the individual or enti-
11 ty”; and

12 (ii) by striking the second sentence;
13 and

14 (3) by adding at the end the following:

15 “(c) NOTIFICATION BY ENTITIES.—To facilitate the
16 administration of this section, each entity that receives
17 payments or benefits described as being subject to limita-
18 tion in subsection (b), (c), or (d) of section 1001 with re-
19 spect to a particular farming operation shall—

20 “(1) notify each individual or other entity that
21 acquires or holds a beneficial interest in the farming
22 operation of the requirements and limitations under
23 this section; and

24 “(2) provide to the Secretary, at such times and
25 in such manner as the Secretary may require, the

1 name and social security number of each individual,
2 or the name and taxpayer identification number of
3 each entity, that holds or acquires such a beneficial
4 interest.

5 “(4) FOUR LEVELS OF ATTRIBUTION FOR EM-
6 BEDDED ENTITIES.—

7 “(A) IN GENERAL.—Attribution of pay-
8 ments made to legal entities shall be traced
9 through four levels of ownership in entities.

10 “(B) FIRST LEVEL.—Any payments made
11 to a legal entity (a first-tier entity) that is
12 owned in whole or in part by a person shall be
13 attributed to the person in an amount that rep-
14 resents the direct ownership in the first-tier en-
15 tity by the person.

16 “(C) SECOND LEVEL.—Any payments
17 made to a first-tier entity that is owned in
18 whole or in part by another legal entity (a sec-
19 ond-tier entity) shall be attributed to the sec-
20 ond-tier entity in proportion to the second-tier
21 entity’s ownership in the first-tier entity. If the
22 second-tier entity is owned in whole or in part
23 by a person, the amount of the payment made
24 to the first-tier entity shall be attributed to the
25 person in the amount that represents the indi-

1 rect ownership in the first-tier entity by the
2 person.

3 “(D) THIRD AND FOURTH LEVELS.—The
4 Secretary shall attribute payments at the third
5 and fourth tiers of ownership in the same man-
6 ner as specified in subparagraph (C) unless the
7 fourth-tier of ownership is that of a fourth-tier
8 entity and not that of a person, in which case
9 the Secretary shall reduce the amount of the
10 payment to be made to the first-tier entity in
11 the amount that represents the indirect owner-
12 ship in the first-tier entity by the fourth-tier en-
13 tity.”.

14 **SEC. 1505. SCHEMES OR DEVICES.**

15 Section 1001B of the Food Security Act of 1985 (7
16 U.S.C. 1308–2) is amended—

17 (1) by inserting “(a) IN GENERAL.—” before
18 “if”;

19 (2) in subsection (a) (as designated by para-
20 graph (1)), by striking “person” each place it ap-
21 pears and inserting “individual or entity”; and

22 (3) by adding at the end the following:

23 “(b) FRAUD.—If fraud is committed by an individual
24 or entity in connection with a scheme or device to evade,
25 or that has the purpose of evading, section 1001, 1001A,

1 or 1001C, the individual or entity shall be ineligible to
2 receive farm program payments described as being subject
3 to limitation in subsection (b), (c), or (d) of section 1001
4 for—

5 “(1) the crop year for which the scheme or de-
6 vice is adopted; and

7 “(2) the succeeding 5 crop years.

8 “(c) JOINT AND SEVERAL LIABILITY.—All individ-
9 uals and entities who participate in a scheme or device
10 described in subsection (a) or (b) shall be jointly and sev-
11 erally liable for any and all overpayments resulting from
12 the scheme or device, and subject to program ineligibility
13 resulting from the scheme or device, regardless of whether
14 a particular individual or entity was or was not a payment
15 recipient.

16 “(d) WAIVER AUTHORITY.—The Secretary may fully
17 or partially release an individual or entity from liability
18 for repayment of program proceeds under subsection
19 (a)(2) if the individual or entity cooperates with the De-
20 partment of Agriculture by disclosing a scheme or device
21 to evade section 1001, 1001A, or 1001C or any other pro-
22 vision of law administered by the Secretary that imposes
23 a payment limitation. The decision of the Secretary under
24 this subsection is vested in the sole discretion of the Sec-
25 retary.”.

1 **SEC. 1506. FOREIGN INDIVIDUALS AND ENTITIES MADE IN-**
2 **ELIGIBLE FOR PROGRAM BENEFITS.**

3 Section 1001C of the Food Security Act of 1985 (7
4 U.S.C. 1308–3) is amended—

5 (1) in the section heading, by striking “**PER-**
6 **SONS**” and inserting “**INDIVIDUALS AND ENTI-**
7 **TIES**”;

8 (2) in subsection (a), by striking “person” each
9 place it appears and inserting “individual”; and

10 (3) in subsection (b)—

11 (A) in the subsection heading, by striking
12 “CORPORATION OR OTHER”; and

13 (B) by striking “a corporation or other en-
14 tity” and inserting “an entity”.

15 **SEC. 1507. ADJUSTED GROSS INCOME LIMITATION.**

16 (a) EXTENSION OF ADJUSTED GROSS INCOME LIM-
17 TATION.—

18 (b) MODIFICATION OF LIMITATION.—Section
19 1001D(b) of the Food Security Act of 1985 (7 U.S.C.
20 1308–3a(b)) is amended—

21 (1) by striking paragraph (1) and inserting the
22 following new paragraph:

23 “(1) CAPS.—

24 “(A) UPPER LIMIT.—Notwithstanding any
25 other provision of law, an individual or entity
26 shall not be eligible to receive any benefit de-

1 scribed in paragraph (2) during a crop year and
2 no benefits shall be provided on land owned by
3 an individual or entity if the average adjusted
4 gross income of the entity or individual com-
5 bined with the income of the individual's spouse
6 exceeds \$250,000.

7 “(B) PRODUCER EXEMPTION.—Notwith-
8 standing any other provision of law, an indi-
9 vidual or entity shall not be eligible to receive
10 any benefit described in paragraph (2) and no
11 benefits shall be provided on land owned by an
12 individual or entity during a crop year if the av-
13 erage adjusted gross income of the entity or in-
14 dividual combined with the income of the indi-
15 vidual's spouse exceeds \$125,000, unless not
16 less than 66.66 percent of the average adjusted
17 gross income of the entity or individual com-
18 bined with the income of the individuals spouse
19 is derived from farming, ranching, or forestry
20 operations, as determined by the Secretary.”;

21 (2) in paragraph (2), by striking subparagraph
22 (C); and

23 (3) by adding at the end the following new
24 paragraph:

1 “(3) INCOME DERIVED FROM FARMING, RANCH-
2 ING OR FORESTRY OPERATIONS.—In determining
3 what portion of the average adjusted gross income of
4 an individual or entity is derived from farming,
5 ranching, or forestry operations, the Secretary shall
6 include income derived from the following:

7 “(A) The production of crops, livestock, or
8 unfinished raw forestry products.

9 “(B) The sale, including the sale of ease-
10 ments and development rights, of farm, ranch,
11 or forestry land or water rights.

12 “(C) The sale, but not as a dealer, of
13 equipment purchased to conduct farm, ranch,
14 or forestry operations when the equipment is
15 otherwise subject to depreciation expense.

16 “(D) The rental of land used for farming,
17 ranching, or forestry operations.

18 “(E) The provision of production inputs
19 and services to farmers, ranchers, and foresters.

20 “(F) The processing, storing, and trans-
21 porting of farm, ranch, and forestry commod-
22 ities.

23 “(G) The sale of land that has been used
24 for agriculture.”.

1 **SEC. 1508. REGULATIONS.**

2 (a) IN GENERAL.—The Secretary of Agriculture may
3 promulgate such regulations as are necessary to imple-
4 ment this Act and the amendment made to this Act.

5 (b) PROCEDURE.—The promulgation of the regula-
6 tions and administration of this Act and the amendments
7 made by this Act shall be made without regard to

8 (1) the notice and comment provisions of sec-
9 tion 553 of title 5, United States Code;

10 (2) the Statement of Policy of the Secretary of
11 Agriculture effective July 24, 1971 (36 Fed. Reg.
12 13804), relating to notices of proposed rulemaking
13 and public participation in rulemaking; and

14 (3) chapter 35 of title 44, United States Code
15 (commonly known as the “Paperwork Reduction
16 Act”).

17 (c) CONGRESSIONAL REVIEW OF AGENCY RULE-
18 MAKING.—In carrying out this section, the Secretary shall
19 use the authority provided under section 808 of title 5,
20 21 United States Code.

Strike section 1512 (title I, page 109, beginning line
1), relating to mandatory reporting for peanuts

At the end of title I insert the following:

Subtitle F—Risk Management Accounts

SEC. 1601. ESTABLISHMENT OF RISK MANAGEMENT ACCOUNTS.

(a) IN GENERAL.—The Secretary shall establish optional Risk Management Accounts for all eligible farmers and offer incentives to encourage farmers to save money during years of high profits to use during years of low profits, and for retirement.

(b) DEFINITIONS.—For purposes of this section—

(1) OPERATOR.—The term “operator” means an individual or entity that—

(A) either—

(i) during each of the preceding 5 taxable years, filed a schedule F of the Federal income tax returns or a comparable tax form related to the agricultural operations of the individual or entity, as approved by the Secretary; or

(ii) is a beginning farmer or rancher, as determined by the Secretary; and

(B) earned—

(i) at least \$10,000 in average adjusted gross revenue for the preceding 5 taxable years;

1 (ii) less than such amount, but is a
2 limited resource farmer or rancher, as de-
3 termined by the Secretary; or

4 (iii) at least \$10,000 in estimated in-
5 come from all agricultural operations for
6 the applicable year, as determined by the
7 Secretary, and is a beginning farmer or
8 rancher under subparagraph (A)(ii).

9 (2) FARM.—The term “farm” is land used for
10 production of crops, livestock and other agricultural
11 products of which the operator has more than de-
12 minimis control or ownership.

13 (3) ADJUSTED GROSS REVENUE.—The term
14 “adjusted gross revenue” means the adjusted gross
15 income as determined by the Secretary, from the
16 sale of agricultural crops grown, dairy products pro-
17 duced, and livestock raised as part of an agricultural
18 operation—

19 (A) by taking into account gross receipts
20 from the sale of agricultural crops, eligible live-
21 stock and dairy products on the agricultural op-
22 eration, including insurance indemnities;

23 (B) by including all farm payments paid by
24 the Secretary or any other government entity
25 for the agricultural operation related to agricul-

1 tural crops, eligible livestock and dairy prod-
2 ucts;

3 (C) by deducting the cost or basis of live-
4 stock or other items purchased for resale, such
5 as feeder livestock, on the agricultural oper-
6 ation;

7 (D) by excluding revenues that do not
8 arise from the sale of crops grown, dairy prod-
9 ucts produced or livestock raised on an agricul-
10 tural operation, such as revenues associated
11 with the packaging, merchandising, marketing
12 and reprocessing of the agricultural product be-
13 yond that typically undertaken by a producer of
14 the crop, dairy products or livestock as deter-
15 mined by the Secretary;

16 (E) by using with such adjustments, addi-
17 tions and additional documentation as the Sec-
18 retary determines is appropriate, information
19 presented on—

20 (i) a schedule F of the Federal income
21 tax returns of the producer; or

22 (ii) a comparable tax form related to
23 the agricultural operations of the producer,
24 as approved by the Secretary.

1 (c) ESTABLISHMENT.—Any operator of a farm, in-
2 cluding dairy farms and “specialty crop” farms, may es-
3 tablish a Risk Management Account in the name of the
4 farm to be jointly administered by the Secretary and a
5 private banking institution, credit union, or other ap-
6 proved lender.

7 (d) VOLUNTARY CONTRIBUTIONS.—An operator of a
8 farm may make voluntary contributions to their Risk
9 Management Account up to the limits specified in section
10 219(b)(5)(A) of the Internal Revenue Code of 1986, as
11 amended.

12 (e) INCENTIVES FOR CONTRIBUTIONS.—For pro-
13 ducers eligible for Direct Payments under Subtitle A of
14 this Act, for each dollar contributed to the account by the
15 producer, up to the full amount of the Direct Payment
16 received in that year, the Secretary shall make a matching
17 contribution of 5 percent.

18 (f) WITHDRAWALS.—An operator who establishes an
19 account may withdraw funds under the following condi-
20 tions and amounts:

21 (1) In a year when the farm’s adjusted gross
22 revenue is less than 95 percent of the five-year aver-
23 age adjusted gross revenue, the producer may with-
24 draw funds up to the amount of the difference.

1 (2) Up to 10 percent of the account balance for
2 investments in rural enterprises that contribute to
3 the agricultural economy, as defined by the Sec-
4 retary, no more than once in any five-year period.

5 (3) When withdrawals are necessary to protect
6 the solvency of the farm, as determined by the Sec-
7 retary.

8 (4) To purchase revenue or crop insurance.

9 (5) Without restriction once the farmer has re-
10 tired from farming, as determined by the farmer's
11 no longer filing a Schedule F Income Tax Return.

12 (g) VIOLATIONS.—If an operator fails to meet the
13 conditions established for a contribution to an account, the
14 operator shall refund to the Secretary an amount equal
15 to the contribution in any fiscal year in which a violation
16 occurred.

17 (h) SALE OR TRANSFER.—If an operator sells or
18 transfers a farm, the operator may elect to—

19 (1) transfer all or a portion of the account to
20 another farm in which the operator has a controlling
21 ownership interest or acquires a controlling owner-
22 ship interest within two years of the sale or transfer
23 of the original agricultural operation;

1 (2) transfer the account to the purchaser of the
2 farm if the operator is not already a holder of an ac-
3 count; or

4 (3) rollover the account into an Individual Re-
5 tirement Account pursuant to section 408 of the In-
6 ternal Revenue Code of 1986 of the operator, if the
7 operator is a natural person, or, if the operator is
8 an entity, into the accounts of any natural person
9 who has a substantial beneficial interest in the farm
10 that is the subject of the account.

11 (i) CONSERVATION COMPLIANCE.—Any operator and
12 any holder of a beneficial interest in a farm subject to
13 an account shall—

14 (1) comply with applicable conservation require-
15 ments under subtitle B of title XII of the Food Se-
16 curity Act of 1985 (16 U.S.C. 3811 et seq.); and

17 (2) comply with applicable wetland conservation
18 requirements under subtitle C of title XII of that
19 Act (16 U.S.C. 3821 et seq.).

[CONSERVATION TITLE]

In the matter proposed to be inserted by section
2103 strike “2012” and inserting “2009”.

[Section 2104 is amended in subsection (b) by strik-
ing “by striking paragraph (1)” and all that follows

through “2012” and inserting in paragraph (1), by striking “2,000,000 acres” and inserting “5,000,000 acres”.]

In section 2104 redesignate subsections (d) and (e) as subsections (e) and (f) and insert after subsection (c) the following:

1 (d) GRASSLAND RESERVE PROGRAM.—Section
2 1241(a) of the Food Security Act of 1985 (16 U.S.C.
3 3841(a)) is amended by striking paragraph (5) and insert-
4 ing the following new paragraph:

5 “(5) For each of fiscal years 2008 through
6 2012, the grassland reserve program under sub-
7 chapter C of chapter 2”.

Add at the end of section 2104 insert the following:

8 (e) EXTENSION AND FUNDING.—Section 1241(a) of
9 the Food Security Act of 1985 (16 U.S.C. 3841(a)) is
10 amended by striking paragraph (5) and inserting the fol-
11 lowing new paragraph:

12 “(5) For each of fiscal years 2008 through
13 2012, the grassland reserve program under sub-
14 chapter C of chapter 2.”.

15 (f) ENROLLMENT GOALS.—Section 1238N(b) of such
16 Act (16 U.S.C. 3838N(b)) is amended in paragraph (1),
17 by striking “2,000,000 acres” and inserting “5,000,000
18 acres”.

In the matter to be inserted by section 2301 strike subparagraphs (A) through (E) and insert the following:

- 1 (A) \$20,000,000.
- 2 (B) \$40,000,000.
- 3 (C) \$50,000,000.
- 4 (D) \$90,000,000.
- 5 (E) "\$100,000,000.

At the end of subtitle C of title I insert the following:

6 **SEC. 2303. COMMUNITY FORESTS AND OPEN SPACE CON-**
7 **SERVATION PROGRAM.**

8 (a) FINDINGS.—Congress makes the following find-
9 ings:

10 (1) The United States Forest Service projects
11 that 44 million acres of privately owned forested
12 land will be developed in the United States by 2030,
13 including many of the most important remaining
14 forested parcels within and adjacent to communities.

15 (2) There is an urgent need to assist local gov-
16 ernments in raising the funds necessary to purchase
17 the most important of these parcels of privately
18 owned forested land as they come up for sale.

19 (3) The breakup of forested land into smaller
20 parcels has resulted in an increasing number of own-

1 ers of privately owned forested land, but many of
2 these owners have little or no experience in forest
3 stewardship.

4 (4) In fast growing communities of all sizes
5 across the United States, the remaining parcels of
6 privately owned forested land play an essential role
7 in protecting public water supplies, which has lead
8 many local governments to purchase these lands for
9 municipal or county ownership.

10 (5) Rising rates of obesity and other public
11 health problems related to inactivity have been
12 shown to be ameliorated by improving public access
13 to safe and pleasing areas for outdoor recreation,
14 which has lead many local governments to purchase
15 lands for recreational purposes under municipal or
16 county ownership.

17 (6) Across the United States, many commu-
18 nities of diverse types and sizes are deriving signifi-
19 cant financial benefit from owning and managing
20 municipal or county forestlands as a source of local
21 revenue that also contributes significantly to the
22 health of the forest products economy at the local
23 and national levels.

24 (7) The access to privately owned forested land
25 for hunting, fishing, and trapping has declined, and

1 the number of persons participating in these activi-
2 ties has likewise declined, as these lands are divided
3 into smaller parcels and more owners of privately
4 owned forested land post their land against public
5 use, which has lead many local governments to pur-
6 chase forestlands to guarantee access for hunting,
7 fishing, and trapping.

8 (8) There is a national interest and an urgent
9 need to assist local governments in raising the funds
10 necessary to purchase important privately owned for-
11 ested land that will maintain the diverse public bene-
12 fits of forestlands close to or within all manner of
13 communities nationwide, from close-knit rural com-
14 munities to fast growing suburban and exurban
15 areas.

16 (b) ESTABLISHMENT OF PROGRAM.—The Coopera-
17 tive Forestry Assistance Act of 1978 (16 U.S.C. 2101 et
18 seq.) is amended by adding at the end the following new
19 section:

20 **“SEC. 21. FORESTS AND OPEN SPACE CONSERVATION PRO-**
21 **GRAM.**

22 “(a) ESTABLISHMENT AND PURPOSE.—The Sec-
23 retary of Agriculture shall establish within the Forest
24 Service a program to be known as the ‘Community Forests
25 and Open Space Conservation Program’ (in this section

1 referred to as the 'Program') for the purpose of assisting
2 local governments in a State selected to participate in the
3 Program to acquire forested land that—

4 “(1) is economically, culturally, and environ-
5 mentally important to the locality in which the land
6 is located;

7 “(2) is threatened by conversion to non-forest
8 uses; and

9 “(3) will conserve public access to and benefit
10 from the land for a wide variety of public purposes,
11 including model forest stewardship, sustainable tim-
12 ber production, forest-based educational and cultural
13 activities, wildlife habitat protection, watershed pro-
14 tection, or outdoor recreation, including hunting and
15 fishing.

16 “(b) SELECTION OF PARTICIPATING STATES.—

17 “(1) SELECTION.—Not later than one year
18 after the date of the enactment of this section, the
19 Secretary shall select at least one State in each of
20 the New England, Mid-Atlantic, Midwest, South,
21 West, and Pacific Northwest regions of the United
22 States to participate in the Program. The Secretary
23 shall make the selections from among applications
24 submitted by willing States. No State shall be com-
25 pelled to participate in the Program.

1 “(2) IMPLEMENTATION.—Authority for imple-
2 mentation of the Program in a participating State
3 shall lie with the State forester, equivalent State of-
4 ficial, or other appropriate State natural resource
5 management agency designated by the Governor of
6 the State.

7 “(c) ELIGIBILITY AND RANKING CRITERIA.—

8 “(1) STATE ASSESSMENT OF NEED.—Each par-
9 ticipating State shall prepare an assessment of need
10 that identifies the geographic areas within the State
11 that will be the focus of land acquisition activities
12 under the Program and priority objectives for con-
13 servation, based on conditions and public needs in
14 the State. This requirement may be satisfied by in-
15 clusion of the assessment as part of an integrated
16 State-wide forest planning process for application of
17 Federal programs in the State.

18 “(2) ESTABLISHMENT OF CRITERIA.—Not later
19 than one year after the date of the enactment of this
20 section, the Secretary shall establish eligibility and
21 ranking criteria for the selection of land acquisition
22 proposals to receive funding under the Program. The
23 Secretary shall establish the criteria in consultation
24 with State Forest Stewardship Advisory Committees,

1 State Urban and Community Forestry Advisory
2 Committees, and similar organizations.

3 “(3) PRIORITIES.—In establishing the eligibility
4 and ranking criteria under paragraph (2), the Sec-
5 retary shall give priority to the acquisition of lands
6 that—

7 “(A) meet identified local open space and
8 natural resource needs, as expressed in town
9 plans, regional plans, or other relevant local
10 planning documents;

11 “(B) can be effectively managed to model
12 good forest stewardship for private landowners
13 and support forest-based educational programs,
14 including vocational education in forestry;

15 “(C) provide significant protection of pub-
16 lic water supplies or other waterways;

17 “(D) can offer long-term economic benefit
18 to communities through forestry;

19 “(E) contain important wildlife habitat;

20 “(F) provide convenient public access for
21 outdoor recreation, including hunting and fish-
22 ing; and

23 “(G) are most threatened with conversion
24 to nonforest uses.

25 “(d) APPLICATION AND RANKING OF PROPOSALS.—

1 “(1) PREPARATION AND CONTENTS.—A local
2 government in a participating State may prepare an
3 application for assistance under the Program in the
4 acquisition of forested land within the geographic
5 program focus area in the State identified under
6 subsection (c)(1). The application shall include cer-
7 tification by the appropriate unit or units of local
8 government that the proposed land acquisition is
9 consistent with any comprehensive plans for develop-
10 ment adopted by the unit of local government and
11 include such other information as the Secretary may
12 prescribe.

13 “(2) SUBMISSION.—Participating States shall
14 rank all applications according to priority and sub-
15 mit the applications to the Secretary at such times
16 and in such form as the Secretary may prescribe.

17 “(3) NATIONAL LIST.—The Secretary shall
18 maintain a national list of all submitted applications,
19 ranked according to the criteria established pursuant
20 to subsection (c).

21 “(e) OWNERSHIP OF LAND.—

22 “(1) GOVERNMENT OWNERSHIP.—Except as
23 provided in paragraph (2), all land acquired in whole
24 or in part using funds provided under the Program

1 shall be owned in fee simple by a local government,
2 such as a municipality or county.

3 “(2) NONPROFIT ORGANIZATION OWNERSHIP.—

4 Upon the request of a participating State, des-
5 ignated nonprofit organizations operating within
6 that State may also own land acquired using funds
7 provided under the Program, subject to the condi-
8 tion that the land is open for public access con-
9 sistent with the purposes and criteria of the Pro-
10 gram.

11 “(3) EFFECT OF VIOLATION.—If the owner of
12 land acquired in whole or in part using funds pro-
13 vided under the Program sells the land, the owner
14 shall reimburse the Secretary for the full amount of
15 the funds provided under the Program, plus a pen-
16 alty equal to 50 percent of the sale price or ap-
17 praised value of the land at the time of the sale,
18 whichever is greater. The local government or des-
19 ignated nonprofit organization that sold the land
20 shall no longer be eligible for assistance under the
21 Program.

22 “(f) DUTIES OF OWNERS.—

23 “(1) USE AND PROHIBITION ON CONVERSION.—

24 The owner of land acquired in whole or in part using
25 funds provided under the Program shall manage the

1 land in a manner that is consistent with the pur-
2 poses for which the land was purchased under the
3 Program and shall not convert the property to other
4 nonforest uses. Public access for compatible rec-
5 reational uses, as determined by the owner, shall be
6 required.

7 “(2) MANAGEMENT PLAN.—Not later than two
8 years after the closing date on the purchase of land
9 using funds under the Program, the owner of the
10 land shall complete a management plan for the land,
11 which shall be subject to the approval of the respon-
12 sible State agency. Management plans shall be cre-
13 ated through a public process that allows for com-
14 munity participation and input.

15 “(g) COST SHARING REQUIREMENTS.—

16 “(1) COST SHARING.—In accordance with such
17 terms and conditions as the Secretary may prescribe,
18 costs for the acquisition of land under the Program,
19 and other costs associated with the Program, shall
20 be shared among participating entities, including
21 State, county, municipal, and other governmental
22 units, landowners, corporations, or private organiza-
23 tions. Such costs may include costs associated with
24 planning, administration, property acquisition, and

1 property management. The Secretary may authorize
2 in-kind contributions.

3 “(2) FEDERAL COST SHARE.—The Federal
4 share of the cost to acquire land under the Program
5 shall not exceed 50 percent of the total cost to ac-
6 quire the land. Payments under this section shall be
7 made in accordance with Federal appraisal and ac-
8 quisition standards and procedures.

9 “(3) ADMINISTRATION AND TECHNICAL ASSIST-
10 ANCE.—In order to assist local governments in
11 achieving model stewardship of land acquired under
12 the Program, 10 percent of all funds appropriated
13 for a fiscal year for the Program shall be allocated
14 to the responsible State agencies in participating
15 States to administer the Program and to provide
16 technical assistance to local governments for forest
17 stewardship, including development and implementa-
18 tion of management plans required by subsection
19 (f)(2).

20 “(h) PRIVATE PROPERTY PROTECTIONS.—

21 “(1) ACCESS.—Nothing in this section—

22 “(A) requires a private property owner to
23 permit public access (including Federal, State,
24 or local government access) to private property;
25 or

1 “(B) modifies any provision of Federal,
2 State, or local law with regard to public access
3 to, or use of, private land.

4 “(2) LIABILITY.—Nothing in this section cre-
5 ates any liability, or has any effect on liability under
6 any other law, of a private property owner with re-
7 spect to any persons injured on the private property.

8 “(3) RECOGNITION OF AUTHORITY TO CONTROL
9 LAND USE.—Nothing in this section modifies any
10 authority of Federal, State, or local governments to
11 regulate land use.

12 “(4) PARTICIPATION OF PRIVATE PROPERTY
13 OWNERS.—Nothing in this section requires a private
14 property owner to participate in the Program.

15 “(i) AUTHORIZATION OF APPROPRIATIONS.—Of the
16 funds available through the Commodity Credit Corpora-
17 tion, The Secretary shall use to carry out the Program
18 \$10,000,000 for each of the fiscal years 2008 through
19 2012.”.

 In the matter to be inserted by section 2401(b)
 strike “2011” and insert “2008” and before clause (i) in-
 sert the following (and redesignate subsequent clauses ac-
 cordingly):

20 “(i) \$200,000,000 for fiscal year 2009;

21 “(ii) \$350,000,000 for fiscal year 2010;

1 “(iii) \$500,000,000 for fiscal year 2011;”.

In the matter to be inserted by section 2401(d)
strike subparagraphs (A) through (D) and insert the fol-
lowing:

2 “(A) \$1,675,000,000 in fiscal year 2008;

3 “(B) \$1,840,000,000 in fiscal year 2009;

4 “(C) \$1,840,000,000 in fiscal year 2010;

5 “(D) \$1,940,000,000 in fiscal year 2011;

6 and”.

Section 2401(e) is amended to read as follows:

7 (e) WILDLIFE HABITAT INCENTIVES PROGRAM.—

8 Paragraph (7) of section 1241(a) of the Food Security Act
9 of 1985 (16 U.S.C. 3841(a)) is amended to read as fol-
10 lows:

11 “(7) The wildlife habitat incentives program
12 under section 1240N, using, to the maximum extent
13 practicable—

14 “(A) \$85,000,000 in fiscal year 2008;

15 “(B) \$100,000,000 in fiscal year 2009;

16 “(C) \$140,000,000 in fiscal year 2010;

17 “(D) \$150,000,000 in fiscal years 2011

18 and 2012.”.

[TRADE TITLE]

Strike section 3005 (relating to the McGovern-Dole International Food for Education and Child Nutrition Program) and insert the following:

1 **SEC. 3005. MCGOVERN-DOLE INTERNATIONAL FOOD FOR**
2 **EDUCATION AND CHILD NUTRITION PRO-**
3 **GRAM.**

4 (a) ADMINISTRATION OF PROGRAM.—Section 3107
5 of the Farm Security and Rural Investment Act of 2002
6 (7 U.S.C. 1736o–1) is amended—

7 (1) in subsection (d), in the matter preceding
8 paragraph (1), by striking “The President shall des-
9 ignate 1 or more Federal agencies to” and inserting
10 “The Secretary shall”;

11 (2) in subsection (f)(2), in the matter preceding
12 subparagraph (A), by striking “implementing agen-
13 cy” and inserting “Secretary”; and

14 (3) in subsections (c)(2)(B), (f)(1), (h)(1)
15 and(2), and (i), by striking “President” each place
16 it appears and inserting “Secretary”.

17 (b) FUNDING.—Subsection (1) of such section is
18 amended—

19 (1) by striking paragraphs (1) and (2) and in-
20 serting the following:

21 “(1) USE OF COMMODITY CREDIT CORPORATION
22 FUNDS.—Of the funds of the Commodity Credit

1 Corporation, the Secretary shall use to carry out this
2 section—

3 “(A) \$140,000,000 for fiscal year 2008;

4 “(B) \$180,000,000 for fiscal year 2009;

5 “(C) \$220,000,000 for fiscal year 2010;

6 “(D) \$260,000,000 for fiscal year 2011;

7 and

8 “(E) \$300,000,000 for fiscal year 2012.”;

9 (2) by redesignating paragraph (3) as para-
10 graph (2); and

11 (3) in paragraph (2) (as redesignated by para-
12 graph (2)), by striking “any Federal agency imple-
13 menting or assisting” and inserting “the Depart-
14 ment of Agriculture or any other Federal depart-
15 ment or agency assisting”.

[NUTRITION TITLE]

In title IV of the bill, strike section 4008 (relating to Adjusting Countable Resources for Inflation), as added to the bill by the En Bloc Amendment adopted, and insert the following (and make such technical and conforming changes as may be appropriate).

1 **SEC. 4008. ADJUSTING COUNTABLE RESOURCES FOR IN-**
2 **FLATION.**

3 Section (5)(g) of the Food Stamp Act of 1977 (7
4 U.S.C. 2014(g)) is amended—

5 (1) by striking “(g)(1) The Secretary” and in-
6 serting the following:

7 “(g) ALLOWABLE FINANCIAL RESOURCES.—

8 “(1) TOTAL AMOUNT.—

9 “(A) IN GENERAL.—The Secretary”.

10 (2) in subparagraph (A) (as so designated by
11 paragraph (1))—

12 (A) by striking “\$2,000” and inserting
13 “\$2,700 (as adjusted in accordance with sub-
14 paragraph (B))”; and

15 (B) by striking “\$3,000” and inserting
16 “\$3,900 (as adjusted in accordance with sub-
17 paragraph (B)),”; and

18 (3) by adding at the end the following:

19 “(B) ADJUSTMENT FOR INFLATION.—

20 “(i) IN GENERAL.—Beginning on Oc-
21 tober 1, 2008, and each October 1 there-
22 after, the amounts in subparagraph (A)
23 shall be adjusted to the nearest \$100 in-
24 crement to reflect changes for the 12-
25 month period ending the preceding June in
26 the Consumer Price Index for All Urban

1 Consumers published by the Bureau of
2 Labor Statistics of the Department of
3 Labor.

4 “(ii) REQUIREMENT.—Each adjust-
5 ment under clause (i) shall be based on the
6 unrounded amount for the prior 12-month
7 period.”.

At appropriate places throughout title IV, insert the following (and make such technical and conforming changes as may be appropriate):

8 **SEC. ____.** **EXCLUDING COMBAT RELATED PAY FROM**
9 **COUNTABLE INCOME.**

10 Section (5)(d) of the Food Stamp Act of 1977 (7
11 U.S.C. 2014(d)) is amended—

12 (1) by striking “and (18)”, and inserting
13 “(18)”, and

14 (2) by inserting before the period at the end the
15 following: “and (19) any additional payment received
16 under Chapter 5 of title 37, United States Code, by
17 (or as an allotment to or transfer from) a member
18 of the United States Armed Forces deployed to a
19 designated combat zone for the duration of the
20 member’s deployment to or service in a combat zone
21 if the additional pay was not received immediately
22 prior to serving in that or another combat zone.”.

1 **SEC. ____ . INCREASING THE STANDARD DEDUCTION.**

2 Section (5)(e)(1) of the Food Stamp Act of 1977 (7
3 U.S.C. 2014(e)(1)) is amended—

4 (1) in subparagraph (A)(ii) by striking “not
5 less than \$134” and all that follows through the pe-
6 riod at the end, and inserting the following: “not
7 less than \$156, \$267, \$220, and \$137, respectively.
8 On October 1, 2008, and each October 1 thereafter,
9 such standard deduction shall be an amount that is
10 equal to the amount from the previous fiscal year
11 adjusted to the nearest lower dollar increment to re-
12 flect changes in the Consumer Price Index for All
13 Urban Consumers published by the Bureau of Labor
14 Statistics, for items other than food, for the 12
15 months ending the preceding June 30.”; and

16 (2) in subparagraph (B)(ii) by striking “not
17 less than \$269.” and inserting the following: “not
18 less than \$313. On October 1, 2008, and each Octo-
19 ber 1 thereafter, such standard deduction shall be
20 an amount that is equal to the amount of the pre-
21 vious fiscal year adjusted to the nearest dollar incre-
22 ment to reflect changes in the Consumer Price Index
23 for All Urban Consumers published by the Bureau
24 of Labor Statistics, for items other than food, for
25 the 12 months ending the preceding June 30.”.

1 **SEC. ____ . EXCLUDING DEPENDENT CARE EXPENSES.**

2 Section (5)(e)(3)(A) of the Food Stamp Act of 1977
3 (7 U.S.C. 2014(e)(3)(A)) is amended by striking “, the
4 maximum allowable level of which shall be \$200 per month
5 for each dependent child under 2 years of age and \$175
6 per month for each other dependent,”.

7 **SEC. ____ . ADJUSTING COUNTABLE RESOURCES FOR INFLA-**
8 **TION.**

9 Section (5)(g) of the Food Stamp Act of 1977 (7
10 U.S.C. 2014(g)) is amended—

11 (1) by striking “(g)(1) The Secretary” and in-
12 serting the following:

13 “(g) ALLOWABLE FINANCIAL RESOURCES.—

14 “(1) TOTAL AMOUNT.—

15 “(A) IN GENERAL.—The Secretary”.

16 (2) in subparagraph (A) (as so designated by
17 paragraph (1))—

18 (A) by inserting “(as adjusted in accord-
19 ance with subparagraph (B))” after “\$2,000”;
20 and

21 (B) by inserting “(as adjusted in accord-
22 ance with subparagraph (B))” after “\$3,000”;
23 and

24 (3) by adding at the end the following:

25 “(B) ADJUSTMENT FOR INFLATION.—

1 “(i) IN GENERAL.—Beginning on Oc-
2 tober 1, 2007, and each October 1 there-
3 after, the amounts in subparagraph (A)
4 shall be adjusted to the nearest \$100 in-
5 crement to reflect changes for the 12-
6 month period ending the preceding June in
7 the Consumer Price Index for All Urban
8 Consumers published by the Bureau of
9 Labor Statistics of the Department of
10 Labor.

11 “(ii) REQUIREMENT.—Each adjust-
12 ment under clause (i) shall be based on the
13 unrounded amount for the prior 12-month
14 period.”.

15 **SEC. ____.** **EXCLUDING EDUCATION ACCOUNTS FROM**
16 **COUNTABLE INCOME.**

17 Section (5)(g) of the Food Stamp Act of 1977 (7
18 U.S.C. 2014(g)) is amended by adding at the end the fol-
19 lowing:

20 “(7) EXCLUSION OF EDUCATION ACCOUNTS
21 FROM COUNTABLE RESOURCES.—

22 “(A) MANDATORY EXCLUSIONS.—The Sec-
23 retary shall exclude from financial resources
24 under this subsection the value of any funds in
25 a qualified tuition program described in section

1 529 of the Internal Revenue Code of 1986 or
2 in a Coverdell education savings account under
3 section 530 of that Code.

4 “(B) DISCRETIONARY EXCLUSIONS.—The
5 Secretary may also exclude from financial re-
6 sources under this subsection the value of any
7 program or account included in any successor
8 or similar provision that is enacted and deter-
9 mined to be exempt from taxation under the In-
10 ternal Revenue Code of 1986.”.

11 **SEC. ____.** **EXCLUDING RETIREMENT ACCOUNTS FROM**
12 **COUNTABLE INCOME.**

13 Section (5)(g) of the of the Food Stamp Act of 1977
14 (7 U.S.C. 2014(g)), as amended by the preceding section,
15 is amended—

16 (1) in subsection (g)(2)(B)(v) by striking “or
17 retirement account (including an individual ac-
18 count)” and inserting “account”; and

19 (2) adding at the end the following:

20 “(8) EXCLUSION OF RETIREMENT ACCOUNTS
21 FROM COUNTABLE RESOURCES.—

22 “(A) MANDATORY EXCLUSIONS.—The Sec-
23 retary shall exclude from financial resources
24 under this subsection the value of any funds in
25 a plan, contract, or account as described in sec-

tion 401(a), 403(a), 403(b), 408, 408A, 457(b),
or 501(c)(18) of the Internal Revenue Code of
1986 and the value of funds in a Federal Thrift
Savings Plan account as provided section 8439
of title 5, United States Code.

“(B) DISCRETIONARY EXCLUSIONS.—

“(i) The Secretary may exclude from
financial resources under this subsection
any other retirement plans, contracts, or
accounts that have been determined to be
tax qualified retirement plans, contracts,
or accounts, under the Internal Revenue
Code of 1986.

“(ii) The Secretary may also exclude
from financial resources under this sub-
section the value of any program or ac-
count included in any successor or similar
provision that is enacted and determined to
be exempt from taxation under the Inter-
nal Revenue Code of 1986.”.

SEC. ____ . INCREASING THE MINIMUM BENEFIT.

Section 8(a) of the Food Stamp Act of 1977 (7
U.S.C. 2017(a)) is amended by striking “\$10 per month”
and inserting “10 percent of the thrifty food plan for a

1 household containing 1 member, as determined by the Sec-
2 retary under section 3(o)”.

3 **SEC. ____ . EMERGENCY FOOD ASSISTANCE PROGRAM.**

4 Section 27(a) of the Food Stamp Act of 1977 (7
5 U.S.C. 2036(a)) is amended by—

6 (1) by striking “(a) PURCHASE OF COMMOD-
7 ITIES” and all that follows through 2007” and in-
8 serting the following:

9 “(a) PURCHASE OF COMMODITIES.—

10 “(1) IN GENERAL.—As provided in paragraph
11 (2), for each of the fiscal years 2008 through 2012”;

12 (2) by striking “\$140,000,000 of”; and

13 (3) by adding at the end the following:

14 “(2) AMOUNTS.—The following amounts are
15 made available to carry out this subsection:

16 “(A) for fiscal year 2008, \$250,000,000;
17 and

18 “(B) for each of the fiscal years 2009
19 through 2012, the dollar amount of commod-
20 ities specified in subparagraph (A) adjusted by
21 the percentage by which the thrifty food plan
22 has been adjusted under section 3(o)(4) be-
23 tween June 30, 2007 and June 30 of the imme-
24 diately preceding fiscal year.”.

1 **SEC. ____ . FRUIT AND VEGETABLE NUTRITION PROMOTION**
2 **PROGRAM.**

3 (a) **IN GENERAL.**—The Secretary of Agriculture, act-
4 ing through the Administrator of the Agricultural Mar-
5 keting Service, shall establish and carry out a program
6 to provide assistance to eligible trade organizations de-
7 scribed in paragraph (3) to increase the consumption of
8 fruits and vegetables in the United States to meet Federal
9 health guidelines.

10 (b) **REQUIREMENTS FOR PARTICIPATION.**—To be eli-
11 gible for assistance under this section, an eligible trade
12 organization shall—

13 (1) prepare and submit a plan to increase the
14 consumption of fruits and vegetables in the United
15 States to the Administrator of the Agricultural Mar-
16 keting Service that meets any guidelines governing
17 such plans established by the Administrator; and

18 (2) meet any other requirements established by
19 the Administrator.

20 (c) **ELIGIBLE TRADE ORGANIZATIONS.**—An eligible
21 trade organization referred to in paragraph (1) means any
22 of the following:

23 (1) A nonprofit fruit and vegetable trade orga-
24 nizations in the United States.

25 (2) A nonprofit State or regional fruit and veg-
26 etable organization.

1 (3) A fruit and vegetable agricultural coopera-
2 tive in the United States.

3 (4) A commodity board or commission in the
4 United States.

5 (5) A small business engaged in the fruit and
6 vegetable industry in the United States.

7 (d) MATCHING FUNDS.—Assistance provided under
8 this section shall not exceed—

9 (1) in the case of an organization described in
10 paragraphs (1) through (5) of subsection (c), 90
11 percent of the cost of the plan to increase the con-
12 sumption of fruits and vegetables in the United
13 States submitted under paragraph (b)(1); and

14 (2) in the case of an organization described in
15 paragraph (c)(5), 50 percent of the cost of the plan
16 to increase the consumption of fruits and vegetables
17 in the United States submitted under paragraph
18 (b)(1).

19 (e) FUNDING.—Of the funds of the Commodity Cred-
20 it Corporation, the Administrator of the Agricultural Mar-
21 keting Service shall use \$15,000,000 in each of fiscal
22 years 2008 through 2012 to carry out this section.

 In section 4020(a), strike paragraph (4) and insert
the following:

1 (4) by inserting after subsection (f) the fol-
2 lowing:

3 “(g) FUNDING.—For each of the fiscal years 2008
4 through 2012, the Secretary shall use \$30 million of the
5 funds, facilities and authorities of the Commodity Credit
6 Corporation to carry out this section.”.

In section 4303(4)(A), strike clause (ii) and insert
the following:

7 (ii) by striking “\$9,000,000” and in-
8 serting “\$100,000,000”.

At the end of subtitle C of title IV, insert the fol-
lowing(and make such technical and conforming changes
as may be appropriate):

9 **SEC. ____ . HUNGER-FREE COMMUNITIES.**

10 (a) DEFINITIONS.—In this section:

11 (1) DOMESTIC HUNGER GOAL.—The term “do-
12 mestic hunger goal” means—

13 (A) the goal of reducing hunger in the
14 United States to at or below 2 percent by 2010;
15 or

16 (B) the goal of reducing food insecurity in
17 the United States to at or below 6 percent by
18 2010.

1 (2) EMERGENCY FEEDING ORGANIZATION.—

2 The term “emergency feeding organization” has the
3 meaning given the term in section 201A of the
4 Emergency Food Assistance Act of 1983 (7 U.S.C.
5 7501).

6 (3) FOOD SECURITY.—The term “food secu-
7 rity” means the state in which an individual has ac-
8 cess to enough food for an active, healthy life.

9 (4) HUNGER-FREE COMMUNITIES GOAL.—The
10 term “hunger-free communities goal” means any of
11 the 14 goals described in the H. Con. Res. 302
12 (102nd Congress).

13 (b) HUNGER REPORTS.—

14 (1) STUDY.—

15 (A) TIMELINE.—

16 (i) IN GENERAL.—Not later than 1
17 year after the date of enactment of this
18 Act, the Secretary shall conduct a study of
19 major matters relating to the problem of
20 hunger in the United States, as determined
21 by the Secretary.

22 (ii) UPDATE.—Not later than 5 years
23 after the date on which the study under
24 clause (i) is conducted, the Secretary shall
25 update the study.

1 (B) MATTERS TO BE ASSESSED.—The
2 matters to be assessed by the Secretary in the
3 study and update under this paragraph shall in-
4 clude—

5 (i) data on hunger and food insecurity
6 in the United States;

7 (ii) measures carried out during the
8 previous year by Federal, State, and local
9 governments to achieve domestic hunger
10 goals and hunger-free communities goals;

11 (iii) measures that could be carried
12 out by Federal, State, and local govern-
13 ments to achieve domestic hunger goals
14 and hunger-free communities goals; and

15 (iv) the impact of hunger and house-
16 hold food insecurity on obesity, in the con-
17 text of poverty and food assistance pro-
18 grams.

19 (2) RECOMMENDATIONS.—The Secretary shall
20 develop recommendations on—

21 (A) removing obstacles to achieving domes-
22 tic hunger goals and hunger-free communities
23 goals; and

24 (B) otherwise reducing domestic hunger.

1 (3) REPORT.—The Secretary shall submit to
2 the President and Congress—

3 (A) not later than 1 year after the date of
4 enactment of this Act, a report that contains—

5 (i) a detailed statement of the results
6 of the study, or the most recent update to
7 the study, conducted under paragraph
8 (1)(A); and

9 (ii) the most recent recommendations
10 of the Secretary under paragraph (2); and

11 (B) not later than 5 years after the date
12 of submission of the report under subparagraph
13 (A), an update of the report.

14 (c) HUNGER-FREE COMMUNITIES COLLABORATIVE
15 GRANTS.—

16 (1) DEFINITION OF ELIGIBLE ENTITY.—In this
17 subsection, the term “eligible entity” means a public
18 food program service provider or a nonprofit organi-
19 zation, including but not limited to an emergency
20 feeding organization, that demonstrates the organi-
21 zation has collaborated, or will collaborate, with 1 or
22 more local partner organizations to achieve at least
23 1 hunger-free communities goal.

24 (2) PROGRAM AUTHORIZED.—

1 (A) IN GENERAL.—The Secretary shall use
2 not more than 55 percent of any funds made
3 available under subsection (f) to make grants to
4 eligible entities to pay the Federal share of the
5 costs of an activity described in paragraph (4).

6 (B) FEDERAL SHARE.—The Federal share
7 of the cost of carrying out an activity under
8 this subsection shall not exceed 80 percent.

9 (C) NON-FEDERAL SHARE.—

10 (i) CALCULATION.—The non-Federal
11 share of the cost of an activity under this
12 subsection may be provided in cash or in
13 kind, fairly evaluated, including facilities,
14 equipment, or services.

15 (ii) SOURCES.—Any entity may pro-
16 vide the non-Federal share of the cost of
17 an activity under this subsection through a
18 State government, a local government, or a
19 private source.

20 (3) APPLICATION.—

21 (A) IN GENERAL.—To receive a grant
22 under this subsection, an eligible entity shall
23 submit an application to the Secretary at the
24 time and in the manner and accompanied by
25 any information the Secretary may require.

1 (B) CONTENTS.—Each application sub-
2 mitted under subparagraph (A) shall—

3 (i) identify any activity described in
4 paragraph (4) that the grant will be used
5 to fund;

6 (ii) describe the means by which an
7 activity identified under clause (i) will re-
8 duce hunger in the community of the eligi-
9 ble entity;

10 (iii) list any partner organizations of
11 the eligible entity that will participate in
12 an activity funded by the grant;

13 (iv) describe any agreement between a
14 partner organization and the eligible entity
15 necessary to carry out an activity funded
16 by the grant; and

17 (v) if an assessment described in
18 paragraph (4)(A) has been performed, in-
19 clude—

20 (I) a summary of that assess-
21 ment; and

22 (II) information regarding the
23 means by which the grant will help re-
24 duce hunger in the community of the
25 eligible entity.

1 (C) PRIORITY.—In making grants under
2 this subsection, the Secretary shall give priority
3 to eligible entities that—

4 (i) demonstrate in the application of
5 the eligible entity that the eligible entity
6 makes collaborative efforts to reduce hun-
7 ger in the community of the eligible entity;
8 and

9 (ii)(I) serve a predominantly rural and
10 geographically underserved area;

11 (II) serve communities in which the
12 rates of food insecurity, hunger, poverty,
13 or unemployment are demonstrably higher
14 than national average rates;

15 (III) provide evidence of long-term ef-
16 forts to reduce hunger in the community;

17 (IV) provide evidence of public sup-
18 port for the efforts of the eligible entity; or

19 (V) demonstrate in the application of
20 the eligible entity a commitment to achiev-
21 ing more than 1 hunger-free communities
22 goal.

23 (4) USE OF FUNDS.—

24 (A) ASSESSMENT OF HUNGER IN THE
25 COMMUNITY.—

1 (i) IN GENERAL.—An eligible entity in
2 a community that has not performed an
3 assessment described in clause (ii) may use
4 a grant received under this subsection to
5 perform the assessment for the community.

6 (ii) ASSESSMENT.—The assessment
7 referred to in clause (ii) shall include—

8 (I) an analysis of the problem of
9 hunger in the community served by
10 the eligible entity;

11 (II) an evaluation of any facility
12 and any equipment used to achieve a
13 hunger-free communities goal in the
14 community;

15 (III) an analysis of the effective-
16 ness and extent of service of existing
17 nutrition programs and emergency
18 feeding organizations; and

19 (IV) a plan to achieve any other
20 hunger-free communities goal in the
21 community.

22 (B) ACTIVITIES.—An eligible entity in a
23 community that has submitted an assessment to
24 the Secretary shall use a grant received under

1 this subsection for any fiscal year for activities
2 of the eligible entity, including—

3 (i) meeting the immediate needs of
4 people in the community served by the eli-
5 gible entity who experience hunger by—

6 (I) distributing food;

7 (II) providing community out-
8 reach; or

9 (III) improving access to food as
10 part of a comprehensive service;

11 (ii) developing new resources and
12 strategies to help reduce hunger in the
13 community;

14 (iii) establishing a program to achieve
15 a hunger-free communities goal in the
16 community, including—

17 (I) a program to prevent, mon-
18 itor, and treat children in the commu-
19 nity experiencing hunger or poor nu-
20 trition; or

21 (II) a program to provide infor-
22 mation to people in the community on
23 hunger, domestic hunger goals, and
24 hunger-free communities goals; and

1 (iv) establishing a program to provide
2 food and nutrition services as part of a co-
3 ordinated community-based comprehensive
4 service.

5 (d) HUNGER-FREE COMMUNITIES INFRASTRUCTURE
6 GRANTS.—

7 (1) DEFINITION OF ELIGIBLE ENTITY.—In this
8 subsection, the term “eligible entity” means an
9 emergency feeding organization (as defined in sec-
10 tion 201A(4) of the Emergency Food Assistance Act
11 of 1983 (7 U.S.C. 7501(4))).

12 (2) PROGRAM AUTHORIZED.—

13 (A) IN GENERAL.—The Secretary shall use
14 not more than 45 percent of any funds made
15 available under subsection (f) to make grants to
16 eligible entities to pay the Federal share of the
17 costs of an activity described in paragraph (4).

18 (B) FEDERAL SHARE.—The Federal share
19 of the cost of carrying out an activity under
20 this subsection shall not exceed 80 percent.

21 (3) APPLICATION.—

22 (A) IN GENERAL.—To receive a grant
23 under this subsection, an eligible entity shall
24 submit an application to the Secretary at the

1 time and in the manner and accompanied by
2 any information the Secretary may require.

3 (B) CONTENTS.—Each application sub-
4 mitted under subparagraph (A) shall—

5 (i) identify any activity described in
6 paragraph (4) that the grant will be used
7 to fund; and

8 (ii) describe the means by which an
9 activity identified under clause (i) will re-
10 duce hunger in the community of the eligi-
11 ble entity.

12 (C) PRIORITY.—In making grants under
13 this subsection, the Secretary shall give priority
14 to eligible entities the applications of which
15 demonstrate 2 or more of the following:

16 (i) The eligible entity serves a pre-
17 dominantly rural and geographically under-
18 served area.

19 (ii) The eligible entity serves a com-
20 munity in which the rates of food insecu-
21 rity, hunger, poverty, or unemployment are
22 demonstrably higher than national average
23 rates.

1 (iii) The eligible entity serves a com-
2 munity that has carried out long-term ef-
3 forts to reduce hunger in the community.

4 (iv) The eligible entity serves a com-
5 munity that provides public support for the
6 efforts of the eligible entity.

7 (v) The eligible entity is committed to
8 achieving more than 1 hunger-free commu-
9 nities goal.

10 (4) USE OF FUNDS.—An eligible entity shall
11 use a grant received under this subsection for any
12 fiscal year to carry out activities of the eligible enti-
13 ty, including—

14 (A) constructing, expanding, or repairing a
15 facility or equipment to support hunger relief
16 agencies in the community;

17 (B) assisting an emergency feeding organi-
18 zation in the community in obtaining locally-
19 produced produce and protein products; and

20 (C) assisting an emergency feeding organi-
21 zation in the community to process and serve
22 wild game.

23 (e) REPORT.—Not later than September 30, 2013,
24 the Secretary shall submit to Congress a report describ-
25 ing—

1 (1) each grant made under this section, includ-
2 ing—

3 (A) a description of any activity funded by
4 such a grant; and

5 (B) the degree of success of each activity
6 funded by such a grant in achieving hunger-free
7 communities goals; and

8 (2) the degree of success of all activities funded
9 by grants under this section in achieving domestic
10 hunger goals.

11 (f) AUTHORIZATION OF APPROPRIATIONS.—There is
12 authorized to be appropriated to carry out this section
13 \$50,000,000 for each of fiscal years 2008 through 2013.

 In subsection (a)(1) of the amendment made by sec-
tion 4401(a) of the bill, strike “\$15,000,000” and insert
“\$45,000,000” .

 In subsection (a) of the amendment made by section
4401(a) of the bill, strike paragraph (2) and insert the
following:

14 (2) There is authorized to be appropriated
15 \$100,000,000 for each of fiscal years 2008 through
16 2012 to carry out and expand the senior farmers’
17 market nutrition programs.

At the end of subtitle D of title IV, insert the following (and make such technical and conforming changes as may be appropriate):

1 **SEC. ____ . GRANTS FOR LOCAL FARMERS AND COMMUNITY**
2 **FARMING.**

3 (a) GRANTS TO ASSIST MUNICIPALITIES TO HELP
4 LOCAL FARMERS TO GROW FOOD TO BE SOLD LO-
5 CALLY.—

6 (1) IN GENERAL.—The Secretary of Agriculture
7 may make a grant in accordance with this sub-
8 section to a municipality to enable the municipality
9 to facilitate the ability of local farmers to grow food
10 crops or raise beef, poultry, or other consumable ag-
11 ricultural products to be sold to the local commu-
12 nity.

13 (2) MAXIMUM AMOUNT OF GRANT.—The
14 amount of a grant under this subsection shall not
15 exceed \$100,000.

16 (3) USE OF GRANTS.—

17 (A) IN GENERAL.—A municipality to which
18 a grant is made under this subsection shall use
19 the grant, subject to subparagraph (B), to es-
20 tablish a community supported agriculture
21 project, by—

1 (i) leasing municipal land to a partici-
2 pating farmer;

3 (ii) providing a loan guarantee for a
4 loan made for the purchase or lease of
5 equipment or facilities to be used by a par-
6 ticipating farmer;

7 (iii) establish a kitchen certified by
8 relevant health authorities for use by the
9 participating farmer and other farmers op-
10 erating, as determined by the municipality,
11 locally or regionally; or

12 (iv) establish a beef, poultry or other
13 agricultural product processing plant cer-
14 tified by relevant health authorities for use
15 by the participating farmer or other farm-
16 ers operating, a determined by the munici-
17 pality, locally or regionally.

18 (B) REQUIREMENTS RELATING TO MIN-
19 IMUM OUTPUT, LOCAL SALE, AND UNDER-
20 SERVED COMMUNITIES.—

21 (i) IN GENERAL.—A lease entered into
22 or a loan guarantee provided pursuant to
23 this subsection shall provide that the mu-
24 nicipality may terminate the lease or re-
25 scind the loan guarantee, as the case may

1 be, if, during each year for which the lease
2 or loan guarantee is in effect—

3 (I) the total value of the crops,
4 beef, poultry, or other consumable ag-
5 ricultural products produced from the
6 land involved is less than \$5,000;

7 (II) at least 30 percent of the
8 crops, beef, poultry, or other
9 consumable agricultural products are
10 not made available for sale in an
11 under-served community; or

12 (III) at least 70 percent of the
13 crops, beef, poultry, or other
14 consumable agricultural products are
15 not made available for sale locally or
16 regionally.

17 (ii) LOCAL OR REGIONAL SALE.—An
18 agricultural product shall be considered to
19 be made available for sale locally or region-
20 ally for purposes of this subsection if the
21 product is distributed within the locality or
22 region where produced, in a manner
23 which—

24 (I) ensures that information re-
25 garding the product origin, production

1 practices, or other similar information
2 which is a source of value to the end-
3 use consumer is typically conveyed;

4 (II) facilitates the likelihood that
5 the income of the community sup-
6 ported agriculture operation is in-
7 creased through maximization of the
8 share of the retail food price retained
9 by the producer;

10 (III) ensures that consumers are
11 provided with an affordable product
12 produced, processed, and distributed
13 in the locality or region where the
14 end-use consumers acquire the prod-
15 uct; and

16 (IV) ensures that the product has
17 traveled less than half of the current
18 average distance of all food produced
19 and consumed in the United States,
20 as determined by the Secretary.

21 (C) PUBLIC BIDDING REQUIRED.—The
22 municipality shall solicit bids from the general
23 public for the leases and loan guarantees to be
24 provided by the municipality pursuant to this
25 subsection. The municipality shall conduct the

1 bidding in a manner that creates a primary
2 preference for minority and socially-disadvan-
3 tagged farmers and ranchers (as defined in sec-
4 tion 355(e) of the Consolidated Farm and
5 Rural Development Act (7 U.S.C. 2003 (e)))
6 and a secondary preference for participating
7 farmers who will farm the land organically.

8 (4) LIMITATIONS ON AUTHORIZATION OF AP-
9 PROPRIATIONS.—For grants under this subsection,
10 there are authorized to be appropriated to the Sec-
11 retary not more than \$40,000,000 for each of fiscal
12 years 2008 through 2013.

13 (b) GRANTS TO SUPPORT THE FORMATION OF COM-
14 MUNITY-SUPPORTED AGRICULTURAL PROJECTS.—

15 (1) IN GENERAL.—The Secretary of Agriculture
16 may make a grant to enable a local nongovernmental
17 farming association that promotes community-based
18 farming or to a qualified farmer to provide technical,
19 advisory, and other assistance to support the forma-
20 tion of a municipally-based community-supported ag-
21 ricultural project.

22 (2) MAXIMUM AMOUNT OF GRANT.—The
23 amount of a grant under this subsection shall not
24 exceed \$25,000.

1 (3) USE OF GRANTS.—A grant recipient shall
2 use the grant to—

3 (A) provide public information about the
4 assistance available pursuant to this section;

5 (B) provide technical and advisory assist-
6 ance to participating farmers who enter into a
7 lease or receive a loan guarantee from a munici-
8 pality pursuant to section 1; or

9 (C) conduct training sessions on subjects
10 relevant to starting, operating, maintaining, or
11 marketing crops produced by participating
12 farmers.

13 (4) DEFINITION.—In this subsection, the term
14 “qualified farmer” means a farmer who dem-
15 onstrated expertise in setting up a profit-making en-
16 terprise, such as a farm, a community supported ag-
17 riculture operation, or a farmers market that has
18 been in operation at least five years.

19 (5) DISPUTE RESOLUTION.—In the event of a
20 landlord-tenant dispute, dispute concerning owner-
21 ship rights to improved infrastructure, or other dis-
22 pute between a municipality and a participating
23 farmer, the parties shall utilize the services of the
24 Certified State Agricultural Mediation Program is
25 administered by the Farm Service Agency.

1 (6) LIMITATIONS ON AUTHORIZATION OF AP-
2 PROPRIATIONS.—For grants under this subsection,
3 there are authorized to be appropriated to the Sec-
4 retary not more than \$10,000,000 for each of fiscal
5 years 2008 through 2013.

6 (c) GRANTS TO PROVIDE START-UP FUNDS TO
7 FARMERS WHO MUST DIVERSIFY THEIR OPERATIONS IN
8 ORDER TO PARTICIPATE IN COMMUNITY-SUPPORTED AG-
9 RICULTURAL PROJECTS.—

10 (1) IN GENERAL.—The Secretary of Agriculture
11 may make a one-time grant to provide start-up
12 funding to an agricultural producer who must diver-
13 sify the agricultural operations of the producer in
14 order to participate in a community-supported agri-
15 cultural project.

16 (2) MAXIMUM AMOUNT OF GRANT.—The
17 amount of a grant under this subsection shall not
18 exceed \$5,000.

19 (3) USE OF GRANTS.—An agricultural producer
20 to whom a grant is made under this subsection shall
21 use the grant to begin a new agricultural operation.

22 (4) LIMITATIONS ON AUTHORIZATION OF AP-
23 PROPRIATIONS.—For grants under this subsection,
24 there are authorized to be appropriated to the Sec-

1 retary not more than \$2,000,000 for each of fiscal
2 years 2008 through 2013.

3 (d) MARKETING ASSISTANCE FOR COMMUNITY SUP-
4 PORTED AGRICULTURE PROJECTS.—The Secretary of Ag-
5 riculture shall provide marketing assistance to a partici-
6 pating farmer who has received a lease or loan guarantee
7 under section 1 that has not been terminated, to assist
8 the farmer in marketing to community institutions, includ-
9 ing schools, child care centers, and senior centers.

10 (e) DEFINITIONS.—In this section:

11 (1) COMMUNITY-SUPPORTED AGRICULTURAL
12 PROJECT.—The term “community-supported agricul-
13 tural project” means a contract under which a group
14 of consumers, a nonprofit organization, or a public
15 agency which represents consumers is obligated to
16 purchase a specified amount of 1 or more agricul-
17 tural products directly from 1 or more agricultural
18 producers during a specific period.

19 (2) FARM VENDOR.—The term ‘farm vendor’
20 means a farmer, a member of the farmer’s family,
21 or employee of the farmer, who sells their products
22 at a farmers market. The farm vendor must offer
23 for sale at the market only the food or other items
24 that are grown or produced by that farm.

1 (3) MARKETING ALLIANCE.—The term “mar-
2 keting alliance” means a legally recognized entity,
3 such as the National Farmers Market Coalition,
4 from which growers and farmers market managers
5 can obtain technical support on farmers market
6 issues.

7 (4) MUNICIPALITY.—The term “municipality”
8 includes any city, town, borough, county, parish, dis-
9 trict, transportation district, assessment jurisdiction,
10 or other public body, or any other political subdivi-
11 sion within the territorial limits of the United
12 States, created by or pursuant to State law or the
13 law of an Indian tribe or tribal organization, with
14 the authority to impose a tax, charge, or fee.

15 (5) NONGOVERNMENTAL FARMING ASSOCIA-
16 TION.—The term “nongovernmental farming asso-
17 ciation” means any of the following entities that has
18 legal standing:

19 (A) A group of agricultural producers that
20 operates as a marketing alliance.

21 (B) A cooperative association, each of
22 whose owners and members is an agricultural
23 producer.

24 (C) A group of 2 or more agricultural pro-
25 ducers or farm vendors who sell an agricultural

1 product through a common distribution chan-
2 nel.

3 (D) A nonprofit organization with exper-
4 tise in farming.

5 (E) A network or association of agricul-
6 tural producers.

7 (6) PARTICIPATING FARMER.—The term “par-
8 ticipating farmer” means an agricultural producer
9 who has made a binding commitment to participate
10 in a community-supported agricultural project.

11 (7) STATE.—The term “State” includes the
12 several States, the District of Columbia, the Com-
13 monwealth of Puerto Rico, the Commonwealth of the
14 Northern Mariana Islands, the United States Virgin
15 Islands, Guam, and American Samoa.

16 (8) UNDER-SERVED COMMUNITY.—The term
17 “under-served community” means an urban, rural,
18 or tribal community which has—

19 (A) limited access to affordable, healthy
20 foods, including fresh fruits and vegetables, in
21 retail grocery stores or farmer-to-consumer di-
22 rect markets;

23 (B) a high incidence of diet-related dis-
24 eases, including obesity;

1 (C) a high rate of hunger or food insecurity;
2 rity; or

3 (D) severe or persistent poverty.

4 (f) REGULATIONS.—The Secretary of Agriculture
5 shall prescribe such regulations as may be necessary to
6 carry out this section.

[RURAL DEVELOPMENT TITLE]

Strike section 6013 and insert the following:

7 **SEC. 6013. RURAL ENTREPRENEUR AND MICROENTER-**
8 **PRISE ASSISTANCE PROGRAM.**

9 Subtitle D of the Consolidated Farm and Rural De-
10 velopment Act is amended by inserting after section 364
11 (7 U.S.C. 2006f) the following:

12 **“SEC. 365. RURAL ENTREPRENEUR AND MICROENTER-**
13 **PRISE ASSISTANCE PROGRAM.**

14 “(a) DEFINITIONS.—In this section:

15 “(1) ECONOMICALLY DISADVANTAGED MICRO-
16 ENTREPRENEUR.—The term ‘economically disadvan-
17 tagged microentrepreneur’ means an owner, majority
18 owner, or developer of a microenterprise that has the
19 ability to compete in the private sector but has been
20 impaired because of diminished capital and credit
21 opportunities, as compared to other microentre-
22 preneurs in the industry involved.

1 “(2) INDIAN TRIBE.—The term ‘Indian tribe’
2 has the meaning given the term in section 4 of the
3 Indian Self-Determination and Education Assistance
4 Act (25 U.S.C. 450b).

5 “(3) INTERMEDIARY.—The term ‘intermediary’
6 means a nonprofit entity that has a demonstrated
7 capacity to provide assistance—

8 “(A) to a microenterprise development or-
9 ganization; or

10 “(B) for a microenterprise development
11 program.

12 “(4) LOW-INCOME INDIVIDUAL.—The term
13 ‘low-income individual’ means an individual with an
14 income (adjusted for family size) of not more than
15 the greatest of—

16 “(A) 80 percent of median income of the
17 non-metropolitan statistical area in which the
18 individual resides;

19 “(B) 80 percent of the statewide non-met-
20 ropolitan area median income; or

21 “(C) 80 percent of the national median in-
22 come.

23 “(5) MICROCREDIT.—The term ‘microcredit’
24 means a business loan or loan guarantee of not more

1 than \$50,000 that is provided to a rural entre-
2 preneur.

3 “(6) MICROENTERPRISE.—The term ‘micro-
4 enterprise’ means—

5 “(A) a self-employed individual; or

6 “(B) a business entity with not more than
7 10 full-time-equivalent employees.

8 “(7) MICROENTERPRISE DEVELOPMENT ORGA-
9 NIZATION.—The term ‘microenterprise development
10 organization’ means a private, nonprofit entity
11 that—

12 “(A) provides training and technical assist-
13 ance to rural entrepreneurs;

14 “(B) facilitates access to capital or another
15 service described in subsection (b) for rural en-
16 trepreneurs; and

17 “(C) has a demonstrated record of deliv-
18 ering services to economically disadvantaged
19 microentrepreneurs, or an effective plan to de-
20 velop a program to deliver microenterprise serv-
21 ices to rural entrepreneurs effectively, as deter-
22 mined by the Secretary.

23 “(8) MICROENTERPRISE DEVELOPMENT PRO-
24 GRAM.—The term ‘microenterprise development pro-

1 gram' means a program administered by an organi-
2 zation serving a rural area.

3 “(9) MICROENTREPRENEUR.—The term ‘micro-
4 entrepreneur’ means the owner, operator, or devel-
5 oper of a microenterprise.

6 “(10) PROGRAM.—The term ‘Program’ means
7 the rural entrepreneur and microenterprise program
8 established under subsection (b)(1).

9 “(11) QUALIFIED ORGANIZATION.—The term
10 ‘qualified organization’ means——

11 “(A) an intermediary;

12 “(B) a microenterprise development orga-
13 nization or microenterprise development pro-
14 gram that—

15 “(i) has a demonstrated record of de-
16 livering microenterprise services to rural
17 entrepreneurs; or

18 “(ii) has an effective plan to develop
19 a program to deliver microenterprise serv-
20 ices to rural entrepreneurs effectively, as
21 determined by the Secretary; or

22 “(C) an Indian tribe, the tribal government
23 of which certifies to the Secretary that no
24 microenterprise development organization or

1 microenterprise development program exists
2 under the jurisdiction of the Indian tribe;

3 “(D) a group of 2 or more organizations or
4 Indian tribes described in subparagraph (A) or
5 (B) that agree to act jointly as a qualified orga-
6 nization under this section; or

7 “(E) for purposes of subsection (b), a pub-
8 lic college or university.

9 “(12) RURAL CAPACITY-BUILDING SERVICE.—
10 The term ‘rural capacity-building service’ means a
11 service provided to an organization that—

12 “(A) is, or is in the process of becoming,
13 a microenterprise development organization or
14 microenterprise development program; and

15 “(B) serves rural areas for the purpose of
16 enhancing the ability of the organization to pro-
17 vide training, technical assistance, and other re-
18 lated services to rural entrepreneurs.

19 “(13) RURAL ENTREPRENEUR.—The term
20 ‘rural entrepreneur’ means a microentrepreneur, or
21 prospective microentrepreneur—

22 “(A) the principal place of business of
23 which is in a rural area; and

1 “(B) that is unable to obtain sufficient
2 training, technical assistance, or microcredit
3 elsewhere, as determined by the Secretary.

4 “(14) SECRETARY.—The term ‘Secretary’
5 means the Secretary of Agriculture, acting through
6 the Rural Business and Cooperative Development
7 Service.

8 “(15) TRIBAL GOVERNMENT.—The term ‘tribal
9 government’ means the governing body of an Indian
10 tribe.

11 “(b) RURAL ENTREPRENEURSHIP AND MICRO-
12 ENTERPRISE PROGRAM.—

13 “(1) ESTABLISHMENT.—The Secretary shall es-
14 tablish a rural entrepreneurship and microenterprise
15 program.

16 “(2) PURPOSE.—The purpose of the Program
17 shall be to provide low-income individuals and mod-
18 erate-income individuals with—

19 “(A) the skills necessary to establish new
20 microenterprises in rural areas; and

21 “(B) continuing technical and financial as-
22 sistance as individuals and business starting or
23 operating microenterprises.

24 “(3) GRANTS.—

1 “(A) IN GENERAL.—The Secretary may
2 make a grant under the Program to a qualified
3 organization or intermediary—

4 “(i) to provide training, operational
5 support, or a rural capacity-building serv-
6 ice to another qualified organization to as-
7 sist the other organization in developing
8 microenterprise training, technical assist-
9 ance, market development assistance, and
10 other related services, for microenterprise,
11 with an emphasis on those that—

12 “(I) have 5 or fewer full-time
13 equivalent employees;

14 “(II) serve low income individ-
15 uals; or

16 “(III) serve areas that have lost
17 population;

18 “(ii) to assist in researching and de-
19 veloping the best practices in delivering
20 training, technical assistance, and micro-
21 credit to rural entrepreneurs; and

22 “(iii) to carry out such other projects
23 and activities as the Secretary determines
24 to be consistent with the purposes of this
25 section.

1 “(B) SUBGRANTS.—Subject to such regu-
2 lations as the Secretary may promulgate, a
3 qualified organization that receives a grant
4 under this paragraph may use the grant to pro-
5 vide assistance to other qualified organizations,
6 such as small or emerging qualified organiza-
7 tions.

8 “(C) DIVERSITY.—In making grants under
9 this paragraph, the Secretary shall ensure, to
10 the maximum extent practicable, that grant re-
11 cipients include qualified organizations—

12 “(i) of varying sizes; and

13 “(ii) that serve racially and ethnically
14 diverse populations.

15 “(D) MATCHING REQUIREMENT.—

16 “(i) IN GENERAL.—As a condition of
17 any grant made under this paragraph, the
18 Secretary shall require the grantee to ex-
19 pend for the project involved, from non-
20 Federal sources, not less than 25 percent
21 of the total amount of the grant.

22 “(ii) FORM OF CONTRIBUTION.—The
23 non-Federal share of the cost of a project
24 described in clause (i) may be provided—

1 “(I) in cash (including through
2 fees, grants (including community de-
3 velopment block grants), and gifts); or

4 “(II) in-kind.

5 “(4) RURAL MICROLOAN PROGRAM.—

6 “(A) ESTABLISHMENT.—In carrying out
7 the Program, the Secretary may carry out a
8 rural microloan program.

9 “(B) PURPOSE.—The purpose of the rural
10 microloan program shall be to provide technical
11 and financial assistance to microenterprises in
12 rural areas and rural entrepreneurs, with an
13 emphasis on those that—

14 “(i) have 5 or fewer full-time equiva-
15 lent employees;

16 “(ii) serve low income individuals; or

17 “(iii) serve areas that have lost popu-
18 lation.

19 “(C) AUTHORITY OF SECRETARY.—In car-
20 rying out the rural microloan program, the Sec-
21 retary may—

22 “(i) make loans to qualified organiza-
23 tions for the purpose of making short-
24 term, fixed interest rate microloans to

1 startup, newly established, and growing
2 microenterprises in rural areas; and

3 “(ii) in conjunction with the loans,
4 provide grants in accordance with subpara-
5 graph (E) to the qualified organizations
6 for the purpose of providing intensive mar-
7 keting, management, and technical assist-
8 ance to microenterprises in rural areas
9 that are borrowers under this subsection.

10 “(D) LOAN DURATION; INTEREST RATES;
11 CONDITIONS.—

12 “(i) LOAN DURATION.—A loan made
13 by the Secretary under this paragraph
14 shall be for a term not to exceed 20 years.

15 “(ii) APPLICABLE INTEREST RATES.—
16 A loan made by the Secretary under this
17 paragraph shall bear an annual interest
18 rate of at least 1 percent.

19 “(E) GRANT AMOUNTS.—

20 “(i) IN GENERAL.—Except as other-
21 wise provided in this section, each qualified
22 organization that receives a loan under this
23 paragraph shall be eligible to receive a
24 grant to provide marketing, management,
25 and technical assistance to microenter-

prises in rural areas that are borrowers or potential borrowers under this subsection.

“(ii) MAXIMUM AMOUNT OF GRANT FOR MICROENTERPRISE DEVELOPMENT ORGANIZATIONS.—The amount of the grant referred to in clause (i) shall be not more than 25 percent of the total outstanding balance of loans made by the microenterprise development organization under this paragraph as of the date of provision of the grant, except that for the first loan made to a microenterprise development organization, the Secretary may make a grant not to exceed 25 percent of the outstanding balance of the loan.

“(iii) MATCHING REQUIREMENT.—

“(I) IN GENERAL.—As a condition of any grant made to a qualified organization under this subparagraph, the Secretary shall require the organization to expend for the grant project involved, from non-Federal sources, not less than 15 percent of the total amount of the grant.

1 “(II) FORM OF NON-FEDERAL
2 SHARE.—The non-Federal share of
3 the cost of a project described in sub-
4 clause (I) may be provided—

5 “(aa) in cash; or

6 “(bb) in-kind.

7 “(c) ADMINISTRATIVE EXPENSES.—Not more than
8 10 percent of the assistance received by a qualified organi-
9 zation for a fiscal year under this section may be used
10 to pay administrative expenses.

11 “(d) FUNDING.—

12 “(1) MANDATORY FUNDING.—

13 “(A) IN GENERAL.—Of the funds of the
14 Commodity Credit Corporation, the Secretary
15 shall use to carry out this section \$40,000,000
16 for each of fiscal years 2008 through 2012, to
17 remain available until expended.

18 “(B) ALLOCATION OF FUNDS.—Of the
19 amount made available by subparagraph (A) for
20 each fiscal year—

21 “(i) not less than \$24,000,000 shall
22 be available for use in carrying out sub-
23 section (b)(3); and

24 “(ii) not less than \$16,000,000 shall
25 be available for use in carrying out sub-

1 section (b)(4), of which not more than
2 \$6,000,000 shall be used to support loans.
3 “(2) AUTHORIZATION OF APPROPRIATIONS.—In
4 addition to amounts made available under paragraph
5 (1), there are authorized to be appropriated such
6 sums as are necessary to carry out this section for
7 each of fiscal years 2008 through 2012.”.

In section 231(b)(5)(A) of the Agricultural Risk Protection Act of 2000, as proposed to be added by section 6027(b)(1) of the bill—

- (1) strike “10” and insert “15”;
- (2) insert “(i)” after “benefit”;
- (3) strike “or socially” and insert “, (ii) socially”; and
- (4) insert “, or (iii) an Indian tribe (as defined in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b))” before the period.

In section 6045(g)(1) of the Farm Security and Rural Investment Act of 2002, as proposed to be amended by section 6027(b) of the bill, strike “\$30,000,000” and insert “\$50,000,000”.

[RESEARCH TITLE]

In section 7310, strike subsections (f) and (g) and insert the following:

1 (f) FUNDING.—Of the funds of the Commodity Cred-
2 it Corporation, the Secretary of Agriculture shall make
3 available \$25,000,000 for each of fiscal years 2008
4 through 2012.

In section 7411, strike subsections (g) and (h) that appear within quotation marks and insert the following:

5 “(g) FUNDING.—Of the funds of the Commodity
6 Credit Corporation, the Secretary shall make available
7 \$100,000,000 for each of fiscal years 2008 through
8 2012.”.

[ENERGY TITLE]

Strike section 9013.

At the end of title IX, add the following new section:

9 **SEC. ____ . VOLUNTARY RENEWABLE FUELS CERTIFICATION**
10 **PROGRAM.**

11 (a) ESTABLISHMENT.—The Secretary of Agriculture,
12 in consultation with the Administrator of the Environ-
13 mental Protection Agency, shall establish a program to
14 certify biomass crops that meet sustainable growing stand-
15 ards designed to reduce greenhouse gases, protect wildlife
16 habitat, and protect air, soil, and water quality.

1 (b) CERTIFICATION REQUIREMENTS.—To qualify for
2 certification under the program established under sub-
3 section (a), a biomass crop shall be inspected and certified
4 as meeting the standards adopted under subsection (c) by
5 an inspector referred to in subsection (d).

6 (c) PRODUCTION STANDARDS.—The Secretary shall
7 adopt standards for the certification of biomass crops
8 under subsection (b) that provide measurement of a nu-
9 merical reduction in greenhouse gases and soil and water
10 pollutants, based upon the recommendations of an advi-
11 sory committee jointly established by the Secretary and
12 the Administrator.

13 (d) INSPECTORS.—The Secretary shall designate in-
14 spectors that the Secretary determines are qualified to cer-
15 tify biomass crops under this section to carry out inspec-
16 tions under subsection (b).

17 (e) DESIGNATION OF CERTIFIED PRODUCTS.—A
18 product produced from a biomass crop that is certified
19 under this section may be designated as having been pro-
20 duced from a certified biomass crop if the producer of the
21 product verifies the product was produced from such crop
22 and the verification includes a copy of the certification
23 under subsection (b).

[HORTICULTURE TITLE]

At the end of subtitle C of title X, add the following
new section:

1 **SEC. ____ . PESTICIDES.**

2 (a) **RECORDKEEPING AND REPORTING.—**

3 (1) **AMENDMENT.**—Section 1491 of the Food,
4 Agriculture, Conservation, and Trade Act of 1990 (7
5 U.S.C. 136i–1) is amended to read as follows:

6 **“SEC. 1491. PESTICIDE RECORDKEEPING.**

7 **“(a) REQUIREMENTS.—**

8 **“(1) IN GENERAL.**—The Secretary of Agri-
9 culture, in consultation with the Administrator of
10 the Environmental Protection Agency, shall require
11 certified commercial applicators and private applica-
12 tors of pesticides (whether for general use or re-
13 stricted use) to maintain—

14 **“(A)** records comparable to records main-
15 tained by commercial applicators of pesticides,
16 as required by the State in which the pesticide
17 is used, or

18 **“(B)** if there is no State requirement for
19 the maintenance of records, records that con-
20 tain the product and chemical name, the reg-
21 istration number assigned to the pesticide
22 under the Federal Insecticide, Fungicide, and
23 Rodenticide Act, amount, date and time of ap-

1 plication, and location of application of each
2 such pesticide used in agricultural production,
3 for a period of 20 years after the pesticide is used.

4 “(2) PROVISION OF RECORDS TO CERTAIN PER-
5 SONS.—Within 30 days of a pesticide application, a
6 certified commercial applicator shall provide a copy
7 of records maintained under paragraph (1) to the
8 person for whom such application was provided.

9 “(3) PROVISION OF RECORDS TO SECRETARY.—
10 Within 30 days of a pesticide application, a certified
11 commercial applicator or private applicator shall
12 provide a copy of records maintained under para-
13 graph (1) to—

14 “(A) any State agency designated by the
15 State for such purpose; and

16 “(B) the Secretary of Agriculture.

17 “(4) MAINTENANCE BY SECRETARY.—

18 “(A) REQUIREMENT.—Subject to subpara-
19 graph (B), the Secretary of Agriculture shall
20 maintain records submitted to the Secretary
21 under paragraph (3) for a period of at least 20
22 years after the pesticide is used.

23 “(B) EXCEPTION.—The Secretary of Agri-
24 culture is not required to maintain records pur-
25 suant to subparagraph (A) if the Secretary de-

1 termines that the State in which the pesticide
2 is used will maintain such records for a period
3 of at least 20 years after such use.

4 “(b) ACCESS TO RECORDS.—

5 “(1) IN GENERAL.—Upon request, records
6 maintained under subsection (a) shall be made avail-
7 able by applicators and by the Secretary of Agri-
8 culture to the following:

9 “(A) A Federal or State agency that deals
10 with pesticide use or any health, occupational
11 safety, or environmental issue related to the use
12 of pesticides.

13 “(B) Health care professionals treating
14 persons who reasonably believe that they have
15 been exposed to pesticides.

16 “(C) Agricultural workers who reasonably
17 believe they have been exposed to pesticides,
18 their immediate family members, and their rep-
19 resentatives.

20 “(D) Researchers conducting studies on
21 pesticides, occupational safety or health, or en-
22 vironmental conditions.

23 “(2) AGENCIES.—In the case of Federal agen-
24 cies, such access to records maintained under sub-
25 section (a) shall be through the Secretary of Agri-

1 culture, or the Secretary's designee. State agency re-
2 quests for access to records maintained under sub-
3 section (a) shall be through the lead State agency so
4 designated by the State.

5 “(3) HEALTH CARE PERSONNEL.—When a
6 health professional determines that pesticide infor-
7 mation maintained under this section is necessary to
8 provide medical treatment or first aid to an indi-
9 vidual who may have been exposed to pesticides for
10 which the information is maintained, upon request
11 applicators and the Secretary of Agriculture shall
12 promptly provide applicable records maintained
13 under subsection (a) and available label information
14 to that health professional. In the case of an emer-
15 gency, such records and information shall be pro-
16 vided immediately.

17 “(4) AGRICULTURAL WORKERS.—When an ag-
18 ricultural worker reasonably believes he or she has
19 been exposed to pesticides, upon request applicators
20 and the Secretary of Agriculture shall provide appli-
21 cable records maintained under subsection (a) to
22 such worker, the worker's family member, or the
23 worker's representative within 5 business days of the
24 request. In the case of an emergency, such records
25 shall be provided immediately.

1 “(5) RESEARCHERS.—When a researcher is
2 conducting a study on a pesticide, occupational safe-
3 ty or health, or environmental conditions, upon re-
4 quest applicators and the Secretary of Agriculture
5 shall provide applicable records maintained under
6 subsection (a) to such researcher within 30 days of
7 the request.

8 “(c) ACCESS TO CONTACT INFORMATION.—Upon re-
9 quest, the person for whom a pesticide application was
10 provided shall provide the name and contact information
11 of the applicator to a health care professional described
12 in subsection (b)(3) or an agricultural worker, family
13 member, or representative described in subsection (b)(4).

14 “(d) SURVEYS AND ANALYSES.—Each Federal agen-
15 cy described in subsection (b)(1)(A) shall conduct surveys
16 and record the data from individual applicators to facili-
17 tate statistical analysis for environmental and agronomic
18 purposes, but in reports based on survey data the Federal
19 agency shall not release data, including the location from
20 which the data was derived, that would directly or indi-
21 rectly reveal the identity of individual producers.

22 “(e) PENALTY.—The Secretary of Agriculture shall
23 be responsible for the enforcement of subsections (a), (b),
24 and (c). A violation of subsection (a) or (b) by an appli-

1 cator, or a violation of subsection (c) by a person described
2 in such subsection, shall—

3 “(1) in the case of the first offense, be subject
4 to a fine of not more than \$ 1,000; and

5 “(2) in the case of subsequent offenses, be sub-
6 ject to a fine of not less than \$ 2,000 for each viola-
7 tion, except that the penalty shall be less than
8 \$1,000 if the Secretary determines that the appli-
9 cator or person made a good faith effort to comply
10 with such subsection.

11 “(f) FEDERAL OR STATE PROVISIONS.—The require-
12 ments of this section shall not affect provisions of other
13 Federal or State laws.

14 “(g) SURVEYS AND REPORTS.—The Secretary of Ag-
15 riculture and the Administrator of the Environmental Pro-
16 tection Agency shall survey the records maintained under
17 subsection (a) to develop and maintain a database that
18 is sufficient to enable the Secretary and the Administrator
19 to publish comprehensive reports, at least on an annual
20 basis, concerning agricultural and nonagricultural pes-
21 ticide use. The Secretary and Administrator shall enter
22 into a memorandum of understanding to define their re-
23 spective responsibilities under this subsection in order to
24 avoid duplication of effort. Such reports shall be trans-
25 mitted to Congress not later than April 1 of each year.

1 “(h) REGULATIONS.—The Secretary of Agriculture
2 and the Administrator of the Environmental Protection
3 Agency shall promulgate revised regulations on their re-
4 spective areas of responsibility implementing this section
5 not later than 180 days after the enactment of the NOUR-
6 ISH Act of 2007.”.

7 (2) EFFECTIVE DATE.—The amendment made
8 by paragraph (1) takes effect on the date that is
9 180 days after the enactment of the NOURISH Act
10 of 2007.

11 (b) INCLUSION OF LONG-TERM ADVERSE HEALTH
12 EFFECTS IN LABELING.—Paragraph (2) of section 2(q)
13 of the Federal Insecticide, Fungicide, and Rodenticide Act
14 (7 U.S.C. 136(q)) is amended—

15 (1) in subparagraph (C), by striking “and” at
16 the end;

17 (2) in subparagraph (D)(iii), by striking the pe-
18 riod at the end and inserting “; and”; and

19 (3) by adding at the end the following:

20 “(E) the pesticide is registered for an agri-
21 cultural use and its labeling does not include in-
22 formation on long-term adverse health effects
23 associated with exposure to the pesticide, such
24 as cancer in individuals so exposed and their
25 children, birth defects, adverse reproductive ef-

1 fects such as infertility or still births, and neu-
2 rological damage.”.

3 (c) RESEARCH BY CDC.—

4 (1) INCREASED RISKS AMONG FARM WORK-
5 ERS.—

6 (A) IN GENERAL.—The Director of the
7 Centers for Disease Control and Prevention
8 shall conduct or support research on increased
9 risks of cancer or birth defects among farm
10 workers who have occupational exposure to pes-
11 ticide and their children.

12 (B) AUTHORIZATION OF APPROPRIA-
13 TIONS.—To carry out this paragraph, there is
14 authorized to be appropriated \$5,000,000 for
15 fiscal year 2008.

16 (2) BIOLOGICAL INDICATORS AND CLINICAL
17 TESTS.—

18 (A) IN GENERAL.—The Director of the
19 Centers for Disease Control and Prevention
20 shall conduct or support research to identify ob-
21 jective biological indicators, and to develop new
22 and additional inexpensive clinical tests, to en-
23 able clinicians to diagnose overexposure to pes-
24 ticides.

1 (B) AUTHORIZATION OF APPROPRIA-
2 TIONS.—To carry out this paragraph, there is
3 authorized to be appropriated \$5,000,000 for
4 fiscal year 2008.

5 (d) RESEARCH BY USDA.—

6 (1) IN GENERAL.—The Secretary of Agriculture
7 shall conduct or support research on alternatives to
8 agricultural pesticides that have been associated
9 with cancer, birth defects, adverse reproductive ef-
10 fects, or severe neurological disorders in animal
11 studies or epidemiological research.

12 (2) AUTHORIZATION OF APPROPRIATIONS.—To
13 carry out this subsection, there is authorized to be
14 appropriated \$5,000,000 for fiscal year 2008.

15 (e) RESEARCH BY EPA.—

16 (1) IN GENERAL.—The Administrator of the
17 Environmental Protection Agency shall conduct or
18 support research to develop field level tests to deter-
19 mine when pesticide-treated fields are safe to reen-
20 ter.

21 (2) AUTHORIZATION OF APPROPRIATIONS.—To
22 carry out this subsection, there is authorized to be
23 appropriated \$7,500,000 for fiscal year 2008.

Section 10301(1) is amended by striking
“\$22,000,000” and inserting “\$25,000,000”.

Section 10303(f) is amended by striking the text and inserting the following: “Of the funds of the Commodity Credit Corporation, the Secretary shall make available \$50,000.000 for each of fiscal years 2008 through 2012 to carry out this section. Such funds shall remain available until expended.”.

Section 10102 is amended by striking subsection (b) and inserting the following new subsection:

1 (b) AVAILABILITY OF FUNDS.—Subsection (i) of sec-
2 tion 101 of the Specialty Crops Competitiveness Act of
3 2004 is amended to read as follows:

4 “(i) FUNDING.—Of the funds of the Commodity
5 Credit Corporation, the Secretary of Agriculture shall
6 make grants under this section, using—

7 “(1) \$110,000,000 in fiscal year 2008;

8 “(2) \$115,000,000 in fiscal year 2009;

9 “(3) \$120,000,000 in fiscal year 2010;

10 “(4) \$125,000,000 in fiscal year 2011; and

11 “(5) \$145,000,000 in fiscal year 2012.”.

In section 6(f)(1) of the Farmer-to-Consumer Direct Marketing Act of 1976 (7 U.S.C. 3005), as added by section 10404(b)(4) of the bill, strike “Secretary of Agriculture use to carry out this section” and all that follows and insert “Secretary of Agriculture shall use to carry

out this section \$20,000,000 for each of fiscal years 2008 through 2012.”.

[MISCELLANEOUS TITLE]

At the end of subtitle A of title XI add the following new sections:

1 **SEC. ____ . SHARE OF RISK.**

2 Section 508(k) of the Federal Crop Insurance Act (7
3 U.S.C. 1508(k)) is amended by striking paragraph (3) and
4 inserting the following:

5 “(3) SHARE OF RISK.—The reinsurance agree-
6 ments of the Corporation with the reinsured compa-
7 nies shall require the reinsured companies to cede to
8 the Corporation 30 percent of its cumulative under-
9 writing gain or loss.”

10 **SEC. ____ . REIMBURSEMENT RATE.**

11 Section 508(k)(4)(A) of the Federal Crop Insurance
12 Act (7 U.S.C. 1508(k)(4)(A)) is amended by striking
13 clause (ii) and inserting the following:

14 “(ii) for each of the 2008 and subsequent reinsurance
15 years, 15 percent of the premium used to define loss
16 ratio.”.

Subparagraph (D) of section 2501(a)(2) of the
Food, Agriculture, Conservation, and Trade Act of 1990
(7 U.S.C. 2279(a)(2)), as added by section

11201(a)(1)(B)(ii) of the bill, is amended to read as follows:

1 “(D) ADDITIONAL CONTRACTING AUTHOR-
2 ITY.—Any agency of the Department of Agri-
3 culture may make grants and enter into con-
4 tracts and cooperative agreements with a com-
5 munity-based organization that meets the defi-
6 nition of an eligible entity under subsection (e)
7 in order to utilize the community-based organi-
8 zation to provide outreach and technical assist-
9 ance.”.

Section 2501(a)(4)(A) of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 2279(a)(4)(A)), as amended by section 11201(a)(1)(C)(i) of the bill, is amended by striking “\$15,000,000” and inserting “\$35,000,000”.

At the end of subtitle C of title XI add the following new section:

10 **SEC. ____ . MORATORIUM ON FORECLOSURES.**

11 (a) MORATORIUM.—The Secretary of Agriculture
12 shall, except for the purposes referred to in subsection (c),
13 immediately issue a moratorium on all current, pending,
14 and future foreclosures, loan accelerations, and adverse
15 actions, with respect to Department of Agriculture loans

1 to any farm or ranch owned or operated by a socially dis-
2 advantaged farmer or ranchers (as defined in section
3 355(e)(2) of the Consolidated Farm and Rural Develop-
4 ment Act). The Secretary shall waive the accrual of inter-
5 est and offsets on all loans affected by this section for
6 the full period of the moratorium or review shall issue
7 write offs of accrued interest and may take such additional
8 actions as recommended by the Commission established in
9 subsection (b).

10 (a) SOCIALLY DISADVANTAGED FARMERS AND
11 RANCHERS COMMISSION.—

12 (1) IN GENERAL.—The Secretary of shall estab-
13 lish in the Department of Agriculture a commission
14 to be known as the “USDA Socially Disadvantaged
15 Farmers and Ranchers Commission” (in this section
16 referred to as the “Commission”).

17 (2) DUTIES.—The Commission shall review all
18 actions covered by the moratorium under subsection
19 (a) to—

20 (A) determine whether Federal, State, or
21 local government actions or inactions contrib-
22 uted to the conditions leading to foreclosure;

23 (B) determine whether the acceleration of
24 foreclosure by the Department of Agriculture of
25 loans on farm land owned by socially disadvan-

1 tagged farmers and ranchers was in accordance
2 with applicable laws or regulations;

3 (C) improve upon the credibility and accu-
4 racy of all Department of Agriculture programs
5 land foreclosure process and procedures;

6 (D) recommend to the Secretary actions
7 for the fair resolution of cases reviewed; and

8 (E) submit to the Committee on Agri-
9 culture and the Committee on Oversight and
10 Government Reform of the House of Represent-
11 atives and the Committee on Agriculture, Nu-
12 trition, and Forestry and the Committee on
13 Government Reform and Homeland Security of
14 the Senate a report on programmatic inefficien-
15 cies and possible remedies to address any land
16 loss directly resulting from illegal or manifestly
17 unfair acts of the Department of Agriculture.

Strike section 10202 and add at the end of title XI
the following:

18 **SEC. ____.** **MULTI-SPECIES FRUIT FLY RESEARCH AND STER-**
19 **ILE FLY PRODUCTION.**

20 (a) **CONSTRUCTION.**—The Secretary of Agriculture
21 shall construct a warehouse and irradiation containment
22 facility in Waimanalo, Hawaii, to support fruit fly rearing
23 and sterilization activities.

1 (b) AUTHORIZATION OF APPROPRIATIONS.—There
2 are authorized to be appropriated—

3 (1) \$15,000,000 for the construction of a ware-
4 house and irradiation containment facility pursuant
5 to subsection (a); and

6 (2) \$1,000,000 for fiscal year 2008 and each
7 subsequent fiscal year for maintenance to the facili-
8 ties constructed pursuant to this section.

Strike section 11305.

At the end of subtitle A of title XI add the following
new section:

9 **SEC. ____ . PARITY FOR ORGANIC CROP ACRES PRICE ELEC-**
10 **TIONS, DOLLAR AMOUNTS OF INSURANCE,**
11 **AND PREMIUM DETERMINATION.**

12 Section 508(a) of the Federal Crop Insurance Act (7
13 U.S.C. 1508(a)) is amended by adding at the end the fol-
14 lowing new paragraph:

15 “(9) ORGANICS.—Notwithstanding any other
16 provision of this title, the Secretary may not charge
17 a premium, deductible, or other fee for an insurance
18 policy or plan on crops that are certified organic or
19 transitioning to organic production that is more
20 than the premium, deductible, or other fee for an
21 insurance policy or plan on crops that are not cer-

1 tified organic or transitioning to organic produc-
2 tion.”.

At the end of subtitle C of title XI, add the following
new sections:

3 **SEC. ____.** **MCINTIRE-STENNIS COOPERATIVE FORESTRY**
4 **ACT.**

5 Section 2 of Public Law 87-788 (16 U.S.C. 582a-
6 1) is amended—

7 (1) by inserting “and 1890 Institutions,” before
8 “and (b)”;

9 (2) by adding at the end the following: “In
10 States that have both 1862 Institutions and 1890
11 Institutions eligible for and receiving funds under
12 this Act, the institutions shall, to the maximum ex-
13 tent practicable, develop complementary plans for
14 forestry research in the State. In this section, the
15 terms ‘1862 Institutions’ and ‘1890 Institutions’
16 have the same meanings as in section 2 of the Agri-
17 cultural Research, Extension, and Education Reform
18 Act of 1998 (7 U.S.C. 7601(2)).”.

19 **SEC. ____.** **ANIMAL HEALTH AND DISEASE RESEARCH PRO-**
20 **GRAM.**

21 Section 1434(b) of the National Agriculture Re-
22 search, Extension, and Teaching Policy Act of 1977 (7
23 U.S.C. 3196(b)) is amended by inserting after “univer-

1 cities” the following: “(including 1890 Institutions (as de-
2 fined in section 2 of the Agricultural Research, Extension,
3 and Education Reform Act of 1998 (7 U.S.C. 7601(2))).”.

4 **SEC. ____.** **CHILDREN, YOUTH, AND FAMILIES EDUCATION**
5 **AND RESEARCH NETWORK (CYFERNET) PRO-**
6 **GRAM.**

7 (a) **IN GENERAL.**— In carrying out the Children,
8 Youth, and Families Education and Research Network
9 Program under section 3(d) of the Smith-Lever Act (7
10 U.S.C. 343(d)), the Secretary shall include 1890 Institu-
11 tions as eligible program applicants and participants.

12 (b) **1890 INSTITUTIONS DEFINED.**—In this section,
13 the term “1890 Institutions” has the meaning given the
14 term in section 2 of the Agricultural Research, Extension,
15 and Education Reform Act of 1998 (7 U.S.C. 7601(2)).

16 **SEC. ____.** **SOCIALLY DISADVANTAGED PRODUCERS ACCESS**
17 **PROGRAM.**

18 (a) **ESTABLISHMENT; PURPOSE.**—

19 (1) **ESTABLISHMENT.**—The Secretary of Agri-
20 culture shall establish and carry out, for each of fis-
21 cal years 2008 through 2013, a program to enhance
22 the viability of minority and socially disadvantaged
23 farmer and ranchers who own or operate agricul-
24 tural operations by assisting such farmer and ranch-
25 ers to reduce their risks, improve their access to

1 markets, and better utilize the programs and serv-
2 ices of the Department of Agriculture.

3 (2) IMPROVED ACCESS.—One of the purposes of
4 the program shall be to ensure the viability and suc-
5 cess of minority and socially disadvantaged farmers
6 and ranchers by promoting the involvement of so-
7 cially disadvantaged farmers and ranchers in the full
8 range of services to ensure producer access to com-
9 modity, credit, risk management and disaster protec-
10 tion, conservation, marketing, nutrition, value-added,
11 rural development, and other programs and services
12 of the Department.

13 (3) ACCURATE REFLECTION OF CONTRIBU-
14 TIONS.—Another of the purposes of the program
15 shall be to assure that the number and economic
16 contributions of socially disadvantaged farmers and
17 ranchers are accurately reflected in the census of ag-
18 riculture.

19 (b) ELIGIBILITY.—

20 (1) IN GENERAL.—To be eligible to participate
21 in programs made available under this title, a pro-
22 ducer shall—

23 (A) be a socially disadvantaged farmer or
24 rancher;

1 (B) be a producer who, as an owner, oper-
2 ator, landlord, tenant, sharecropper or enrolled
3 member of an Indian tribe—

4 (i) shares in the risk of producing any
5 crop or livestock; and

6 (ii) is entitled to share in the crop or
7 livestock available for marketing from a
8 farm (or would have shared had the crop
9 or livestock been produced) or produces
10 more than 50 percent of the food needed
11 for family consumption;

12 (C) enter into a risk management and
13 marker access contract with the Secretary to
14 carry out the risk management and market ac-
15 cess plan.

16 (2) DEFINITIONS.—In this section:

17 (A) SOCIALLY DISADVANTAGED.—The
18 term “socially disadvantaged” means, with re-
19 spect to a farmer or rancher, that the farmer
20 or rancher is a member of a socially disadvan-
21 tage group.

22 (B) SOCIALLY DISADVANTAGED GROUP DE-
23 FINED.—The term “socially disadvantaged
24 group” means a group whose members have
25 been subjected to racial or ethnic prejudice be-

1 cause of their identity as members of a group
2 without regard to their individual qualities.

3 (c) PRODUCER PAYMENT STRUCTURE.—

4 (1) PRODUCER DEVELOPMENT PAYMENTS.—

5 The Secretary is authorized to provide direct pay-
6 ments to the producers defined under subsection (b)
7 if risk management and market access plans are im-
8 plemented within any fiscal year pursuant to a plan
9 developed in a fiscal year prior to payment by the
10 Secretary.

11 (2) ENROLLMENT PROCEDURE.—To enroll in
12 this program, an eligible producer must—

13 (A) complete and maintain the practices in
14 the qualification level in paragraph (3)(A)(i);

15 (B) describe the tier of the risk manage-
16 ment and market access plan, and the par-
17 ticular risk management and market access
18 practices to be implemented in accordance with
19 this subsection; and

20 (C) identify the qualified technical assist-
21 ance provider who will serve as a liaison to the
22 Department and supply technical assistance to
23 assure completion of the plan.

24 (3) PAYMENT STRUCTURE.—The Secretary
25 shall make annual producer payments under this

1 title for participation at 1 of the following levels for
2 a period not to exceed a total of 7 years, as follows:

3 (A) USDA ACCESS PAYMENTS.—The qual-
4 ification level payment shall be not more than
5 \$5,000 with up to \$2,500 paid up front if,
6 within the first year, the producer—

7 (i) files an IRS schedule F or a quali-
8 fied substitute for enrolled members of In-
9 dian Tribes;

10 (ii) registers at the Farm Service
11 Agency office as a farm or rancher, or in-
12 forms the Secretary the reason for which
13 registration was not allowed;

14 (iii) signs up for any crop insurance
15 or NAP programs for which the producer
16 is qualified, or provides a plan to achieve
17 qualification or inform the Secretary if no
18 plan or program exists for the form of pro-
19 duction on the farm or ranch; and

20 (iv) receives technical assistance to be
21 included in the Minority Farm Registry
22 and complete the next Census of Agri-
23 culture.

24 The Secretary shall provide to the National Ag-
25 riculture Statistics Service information suffi-

1 cient for inclusion of each producer who quali-
2 fies under this section in the next census of ag-
3 riculture.

4 (B) PROGRAM ACCESS PAYMENTS.—Pro-
5 gram access payments shall at least \$5000 and
6 not more than \$10,000 annually for up to 3
7 years if the producer provides, develops, and
8 implements a plan to complete at least two of
9 following practices in each year:

- 10 (i) a farm and home plan;
- 11 (ii) an estate plan;
- 12 (iii) a risk management plan, includ-
13 ing accessing family health insurance;
- 14 (iv) a conservation plan;
- 15 (v) enters into a contract for purchase
16 or sale of farm land;
- 17 (vi) acquires a computer, high-speed
18 internet access, and software, and training
19 in the use of these tools;
- 20 (vii) prepares a plan to transition to
21 another crop or crops;
- 22 (viii) applies for at least one farm pro-
23 gram of the Department; or
- 24 (ix) other practices as determined by
25 the Secretary.

1 (C) MARKET ACCESS AND RISK PROTEC-
2 TION PAYMENTS.—

3 (i) TIER ONE.—Market Access and
4 Risk Protection Payments shall be at least
5 \$10,000 and not more than \$25,000 annu-
6 ally for up to three years if the producer
7 develops and implements at least two of
8 the following practices in each year:

9 (I) Mentor another farmer.

10 (II) Seek nomination and election
11 to a Conservation District Board or
12 FSA County Committee.

13 (III) Meet standards for Good
14 Agricultural Practices, Organic Cer-
15 tification or other market certifi-
16 cations.

17 (IV) Develop and implement a
18 marketing plan or a business plan.

19 (V) Access liability or other ex-
20 panded insurance, including revenue
21 insurance.

22 (VI) Access farmers markets or
23 improved marketing contracts.

1 (VII) Participate in farmers mar-
2 ket nutrition, school food or other nu-
3 trition programs.

4 (VIII) Develop and implement
5 plan to meet regulatory requirements,
6 including labor, workers compensa-
7 tion, and pesticide health and safety
8 standards, Livestock and Animal ID.

9 (IX) Seek irrigation and other
10 production assistance, Land or waste
11 management.

12 (X) Other practices as deter-
13 mined by the Secretary.

14 (iii) TIER TWO.—Market Access and
15 Risk Protection Payments shall be not
16 more than to \$35,000 annually for up to
17 three years if the producer completes at
18 least two of the following practices in each
19 year:

20 (I) Develop or participate in a
21 cooperative or marketing association.

22 (II) Develop a value-added enter-
23 prise.

24 (III) Implements improve mar-
25 keting strategies, including develop-

1 ment of brands and innovative forms
2 of marketing by web or other means.

3 (IV) Develop infrastructure or
4 processing capacity.

5 (V) Enhance the participation of
6 a cooperative or a group of farmers in
7 nutrition and health programs.

8 (VI) Construct or improve hous-
9 ing for farmworkers.

10 (VII) Enter into direct contracts
11 to secure adequate labor to meet pro-
12 duction needs.

13 (VIII) Protect of land use and
14 development rights.

15 (IX) Other practices as deter-
16 mined by the Secretary.

17 (d) TECHNICAL ASSISTANCE.—

18 (1) IN GENERAL.—For each of fiscal years
19 2008 through 2013, the Secretary shall provide
20 technical assistance through qualified technical as-
21 sistance providers to producers for the development
22 and implementation of a risk management and mar-
23 ket access plans at each tier.

24 (2) TECHNICAL ASSISTANCE PROVIDER.—In
25 this section, the term “technical assistance provider”

1 is an organization or educational institutions that
2 qualifies as an eligible entity under section
3 2501(e)(5) of the Food, Agriculture, Conservation,
4 and Trade Act of 1990 (7 U.S.C. 2279(e)(5)).

5 (3) QUALIFIED TECHNICAL ASSISTANCE PRO-
6 VIDER.—In this section, the term “qualified tech-
7 nical assistance provider” means a technical assist-
8 ance provider that has been recognized by the Risk
9 Management Agency as qualified to provide the serv-
10 ice in this program.

11 (4) LIMITATIONS.—A qualified technical service
12 provider shall not receive payment for services in ex-
13 cess of—

14 (A) \$2,000, for services under subsection
15 (c)(3)(A);

16 (B) \$3,000, for services under subsection
17 (c)(3)(B); or

18 (C) \$4,000, for services under subsection
19 (c)(3)(C).

20 (f) DUTIES OF THE SECRETARY.—

21 (1) OFFICE OF SMALL FARMS COORDINA-
22 TION.—The Secretary of Agriculture shall establish
23 an office of Small Farm Coordination, which shall be
24 led by the Small Farms Coordinator, who shall be a
25 career employee.

1 (2) DUTIES.—The Secretary may delegate to
2 the Small Farms Coordinator responsibility for the
3 following:

4 (A) Administering the program established
5 under subsection (a).

6 (B) Administering the activities established
7 under Departmental Regulation 9700-1 issued
8 on August 3, 2006, in coordination with any
9 other office, agency, or mission area as deemed
10 necessary by the Secretary to facilitate the im-
11 plementation of the programs under this sec-
12 tion, and other such duties as assigned to as-
13 sure the Department best understands, meets,
14 and prioritizes the needs of small, socially dis-
15 advantaged, and beginning and new entry farm-
16 ers.

17 (C) Other duties deemed appropriate by
18 the Secretary.

19 (3) OUTREACH.—The Secretary shall use not
20 less than \$1,000,000 annually from funding under
21 this section to support consultation, training, and li-
22 aision activities with qualified technical assistance
23 providers under subsection (b).

24 (4) STAFFING AND ADMINISTRATION.—The
25 Secretary shall provide not less than 10 staff posi-

1 tions within the Office of Small Farms Coordination
2 at headquarters in Washington and not less than 10
3 field staff for the Office as the Secretary deems nec-
4 essary to implement this program, with additional
5 field staff provided in States where the number of
6 applicants exceeds 500 to conduct administration of
7 this program.

8 (5) REGULATIONS.—Not later than 270 days
9 after the date of enactment of this Act, the Sec-
10 retary of Agriculture shall promulgate regulations to
11 carry out this subsection.

12 (g) FUNDING.—Of the funds of the Commodity Cred-
13 it Corporation, the Secretary shall make available
14 \$80,000,000 to carry out this section for each of fiscal
15 years 2008 through 2012.

At the end of title XI, insert the following new sec-
tion:

16 **SEC. ____ . SENSE OF CONGRESS ON USE OF SAVINGS FOR**
17 **DEFICIT REDUCTION.**

18 It is the sense of the Congress that any budgetary
19 savings created as a result of this Act will be used to re-
20 duce the Federal budget deficit and not used to offset
21 other Federal spending.

Strike the title of the bill entitled “PREVENTION
OF TAX TREATY EXPLOITATION TO EVADE
UNITED STATES TAXATION”.

2. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Frank OF Massachusetts, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. FRANK OF MASSACHUSETTS
AND MR. BACHUS OF ALABAMA**

Strike sections 5031, 5032, 5033, 5035, and 5036.

3. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Goodlatte OF Virginia, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

AMENDMENT TO H.R. 2419
OFFERED BY MR. GOODLATTE OF VIRGINIA

At the end of subtitle A of title II (conservation),
add the following new section:

1 **SEC. 2409. COMMON EASEMENT AUTHORITIES.**

2 (a) IN GENERAL.—The Food Security Act of 1985
3 is amended by inserting after section 1230 (16 U.S.C.
4 3801) the following new section:

5 **“SEC. 1230A. COMMON EASEMENT AUTHORITIES.**

6 “(a) IN GENERAL.—

7 “(1) PROGRAM.—In this section the term ‘pro-
8 gram’ means the applicable program described in
9 paragraph (2).

10 “(2) APPLICABILITY.—This section shall apply
11 to the terms and conditions of all easements pur-
12 chased under authorities of this subtitle:

13 “(A) The wetlands reserve program under
14 subchapter C.

15 “(B) The farmland protection program
16 under subchapter B of Chapter 2.

17 “(C) The grassland reserve program under
18 subchapter C of Chapter 2.

1 “(D) The healthy forests reserve program,
2 sections 501–508 of the Healthy Forests Res-
3 toration Act of 2003 (16 U.S.C. 6571-6578).

4 “(3) ENROLLMENT.—The Secretary may either
5 directly, or through an eligible entity, obtain an in-
6 terest in eligible land through—

7 “(A) a 30-year or permanent easement; or

8 “(B) in a State that imposes a maximum
9 duration for easements, an easement for the
10 maximum duration allowed under State law.

11 “(4) HOLDER OF EASEMENT TITLE.—The title
12 holder of an easement obtained under one of the
13 programs described in paragraph (2), in addition to
14 the Secretary, or in lieu of the Secretary, may be an
15 eligible entity.

16 “(5) ESTABLISHING EASEMENT.—To become
17 eligible to enroll land in the program through an
18 easement, the landowner or eligible entity, as appli-
19 cable, shall—

20 “(A) create and record an appropriate
21 deed restriction in accordance with applicable
22 State law;

23 “(B) provide proof of unencumbered title
24 to the underlying fee interest in the land that
25 is subject of the easement;

1 “(C) grant the easement to either the Sec-
2 retary or an eligible entity;

3 “(D) comply with the terms of the ease-
4 ment and any restoration agreement; and

5 “(E) explicitly consent in writing to grant-
6 ing a security interest in the land to either the
7 Secretary or an eligible entity.

8 “(6) WETLANDS RESERVE PROGRAM DEEDS.—
9 A deed used to record an easement under the wet-
10 lands reserve program in subchapter C shall provide
11 for sufficient protection of the functions and values
12 of the wetland or floodplain, as determined by the
13 Secretary.

14 “(7) DEED FOR OTHER EASEMENT PRO-
15 GRAMS.—A deed used to record an easement under
16 all programs described in paragraph (2) other than
17 the wetlands reserve program shall be in the form of
18 a negative restrictive deed that—

19 “(A) is in a format prescribed by the Sec-
20 retary;

21 “(B) details the rights obtained by the
22 easement; and

23 “(C) allows for specific uses of the land, if
24 the use is consistent with the long-term protec-

1 tion of the purposes for which the easement was
2 established.

3 “(8) ACCEPTANCE OF CONTRIBUTIONS.—The
4 Secretary may accept and use contributions of non-
5 Federal funds to carry out the administration or
6 purpose the program.

7 “(9) MODIFICATION, TRANSFER, OR TERMI-
8 NATION OF EASEMENT.—

9 “(A) MODIFICATION.—The Secretary may
10 modify an easement acquired from, or a related
11 agreement with, an owner or eligible entity
12 under one of the programs described under
13 paragraph (2) if—

14 “(i) the parties involved with the ease-
15 ment on the land agree to such modifica-
16 tion; and

17 “(ii) the Secretary determines that
18 such modification is desirable—

19 “(I) to carry out the program;

20 “(II) to facilitate administration
21 of the program; or

22 “(III) to achieve such other goals
23 as the Secretary determines are ap-
24 propriate.

1 “(B) TITLE TRANSFER.—The Secretary
2 may transfer title of ownership of an easement
3 to an eligible entity to hold and enforce, in lieu
4 of the Secretary, subject to the right of the Sec-
5 retary to conduct periodic inspections and en-
6 force the easement, if—

7 “(i) the Secretary determines that
8 granting the transfer would promote the
9 protection of eligible land;

10 “(ii) the owner authorizes the eligible
11 entity to hold and enforce the easement;

12 “(iii) the eligible entity assuming the
13 title agrees to assume the costs incurred in
14 administering and enforcing the easement,
15 including the costs of restoration or reha-
16 bilitation of the land as specified by the
17 owner and the eligible entity; and

18 “(iv) the eligible entity, except for an
19 eligible entity under section 1238H(a)(1),
20 has a commitment to protect the conserva-
21 tion purpose of the easement and has the
22 resources to enforce the easement.

23 “(C) TERMINATION.—The Secretary may
24 terminate an easement if—

1 “(i) the parties involved with such
2 easement agree to such termination; and

3 “(ii) the Secretary determines that
4 such termination would be in the public in-
5 terest.

6 “(10) VIOLATION.—Upon the violation of the
7 terms or conditions of an easement or other agree-
8 ment entered into under this section—

9 “(A) the easement shall remain in force;
10 and

11 “(B) the Secretary may require the owner
12 to refund all or part of any payments received
13 by the owner under the program, with interest
14 on the payments as determined appropriate by
15 the Secretary.

16 “(b) EASEMENTS HELD BY SECRETARY.—

17 “(1) PERMANENT EASEMENT VALUATION.—In
18 return for the granting of a permanent easement or
19 an easement for the maximum duration allowed
20 under applicable State law by a landowner under one
21 of the programs described in subsection (a)(2), the
22 Secretary shall make payments to the landowner as
23 authorized under subparagraphs (A) and (B).

1 “(A) VALUATION METHODS.—The method
2 of valuation shall be determined under the spe-
3 cific program involved.

4 “(B) COST OF RESTORATION.—The Sec-
5 retary shall tender a monetary amount to the
6 landowner that is not greater than an amount
7 corresponding to 100 percent of the eligible
8 costs of restoration.

9 “(2) 30 YEAR EASEMENT VALUATION.—In re-
10 turn for granting a 30 year easement by a land-
11 owner, the Secretary shall make payments to the
12 landowner in an amount equal to—

13 “(A) not more than 75 percent of the
14 amount that would apply in paragraph (1)(A);
15 and

16 “(B) not more than 75 percent of the eligi-
17 ble costs of restoration.

18 “(3) MONETARY DONATION.—A private land-
19 owner may make a monetary donation equivalent to
20 any amount of the actual value of the easement.

21 “(c) EASEMENTS ACQUIRED THROUGH ELIGIBLE
22 ENTITIES.—

23 “(1) EASEMENT HELD BY ELIGIBLE ENTITY.—
24 The Secretary shall offer the opportunity to eligible
25 entities to enter into agreements for the purposes of

1 purchasing and holding easements for eligible lands
2 in the program.

3 “(2) EASEMENT VALUATION.—When enrolling
4 eligible land through an eligible entity, the share of
5 the cost of the Secretary to purchase a conservation
6 easement or other interest in eligible land shall not
7 exceed 50 percent of the fair market value based on
8 an appraisal of the conservation easement, using an
9 industry approved methodology determined by the
10 entity.

11 “(3) PAYMENTS; DONATIONS.—

12 “(A) LANDOWNER.—A private landowner
13 may make a monetary donation of up to 25
14 percent of the appraised fair market value of
15 the conservation easement or other interest in
16 eligible land.

17 “(B) ELIGIBLE ENTITY.—An eligible entity
18 shall make a monetary payment of at least 25
19 percent of the appraised fair market value of
20 the conservation easement or other interest in
21 eligible land.

22 “(4) TYPE OF DEED.—An eligible entity obtain-
23 ing an easement under this subtitle shall use a nega-
24 tive restrictive deed that provides for—

1 “(A) rights of all parties subject to the
2 easement;

3 “(B) permissible uses of the land, if the
4 use is consistent with the purposes for which
5 the easement was established; and

6 “(C) terms and conditions of the eligible
7 entity such as purposes and administration of
8 the easement, if the Secretary finds that the
9 terms and conditions are—

10 “(i) consistent with the purposes of
11 the program; and

12 “(ii) provide for effective enforcement
13 of the conservation purposes of the con-
14 servation easement.

15 “(d) FEDERAL CONTINGENT RIGHT OF ENFORCE-
16 MENT.—The Secretary may require the inclusion of a Fed-
17 eral contingent right of enforcement or executory limita-
18 tion in a conservation easement or other interest in land
19 for conservation purposes purchased with Federal funds
20 provided under the program, in order to preserve the ease-
21 ment as a party of last resort. The inclusion of such a
22 right or interest shall not be considered to be the Federal
23 acquisition of real property and the Federal standards and
24 procedures for land acquisition shall not apply to the in-
25 clusion of the right or interest.”.

1 (b) CONFORMING AMENDMENTS.—The following pro-
2 visions of subtitle D of title XII of the Food Security Act
3 of 1985 (16 U.S.C. 3801 et seq.) are repealed:

4 (1) Subsections (c) through (g) of section
5 1237A.

6 (2) Section 1237C(b)(2).

7 (3) Section 1237E.

8 (4) Subsections (a)(1), (d), and (e) of section
9 1238O.

10 (5) Subsections (a)(2), (b)(1), and (c) of section
11 1238P.

12 (6) Section 1238Q.

4.

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Lucas OF OKLahoma, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. LUCAS OF OKLAHOMA**

At the end of subtitle A of title XI, insert the following new section:

1 SEC. 11013. LIVESTOCK ASSISTANCE.

2 Notwithstanding any other provision of law, the pur-
3 chase of a Non-insured Assistance Program policy shall
4 not be a requirement to receive any Federal livestock dis-
5 aster assistance.

5. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Cardoza OF California, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. CARDOZA OF CALIFORNIA**

At the end of subtitle E of title X add the following
new section:

1 **SEC. ____ . RESTORATION OF IMPORT AND ENTRY AGRICUL-**
2 **TURAL INSPECTION FUNCTIONS TO THE DE-**
3 **PARTMENT OF AGRICULTURE.**

4 (a) REPEAL OF TRANSFER OF FUNCTIONS.—Section
5 421 of the Homeland Security Act of 2002 (6 U.S.C. 231)
6 is repealed.

7 (b) CONFORMING AMENDMENT TO FUNCTIONS OF
8 SECRETARY OF HOMELAND SECURITY.—Section 402 of
9 the Homeland Security Act of 2002 (6 U.S.C. 202) is
10 amended—

11 (1) by striking paragraph (7); and

12 (2) by redesignating paragraph (8) as para-
13 graph (7).

14 (c) TRANSFER AGREEMENT.—

15 (1) IN GENERAL.—Not later than the effective
16 date specified in subsection (g), the Secretary of Ag-
17 riculture and the Secretary of Homeland Security
18 shall enter into an agreement to effectuate the re-

1 turn of functions required by the amendments made
2 by this section.

3 (2) USE OF CERTAIN EMPLOYEES.—The agree-
4 ment may include authority for the Secretary of Ag-
5 riculture to use employees of the Department of
6 Homeland Security to carry out authorities dele-
7 gated to the Animal and Plant Health Inspection
8 Service regarding the protection of domestic live-
9 stock and plants.

10 (d) RESTORATION OF DEPARTMENT OF AGRI-
11 CULTURE EMPLOYEES.—Not later than the effective date
12 specified in subsection (g), all full-time equivalent posi-
13 tions of the Department of Agriculture transferred to the
14 Department of Homeland Security under section 421(g)
15 of the Homeland Security Act of 2002 (6 U.S.C. 231(g))
16 (as in effect on the day before such effective date) shall
17 be restored to the Department of Agriculture.

18 (e) AUTHORITY OF APHIS.—

19 (1) ESTABLISHMENT OF PROGRAM.—The Sec-
20 retary of Agriculture shall establish within the Ani-
21 mal and Plant Health Inspection Service a program,
22 to be known as the “International Agricultural In-
23 spection Program”, under which the Administrator
24 of the Animal and Plant Health Inspection Service
25 (referred to in this subsection as the “Adminis-

1 trator”) shall carry out import and entry agricul-
2 tural inspections.

3 (2) INFORMATION GATHERING AND INSPEC-
4 TIONS.—In carrying out the program under para-
5 graph (1), the Administrator shall have full access
6 to—

7 (A) each secure area of any terminal for
8 screening passengers or cargo under the control
9 of the Department of Homeland Security on the
10 day before the date of enactment of this Act for
11 purposes of carrying out inspections and gath-
12 ering information; and

13 (B) each database (including any database
14 relating to cargo manifests or employee and
15 business records) under the control of the De-
16 partment of Homeland Security on the day be-
17 fore the date of enactment of this Act for pur-
18 poses of gathering information.

19 (3) INSPECTION ALERTS.—The Administrator
20 may issue inspection alerts, including by indicating
21 cargo to be held for immediate inspection.

22 (4) INSPECTION USER FEES.—The Adminis-
23 trator may, as applicable—

24 (A) continue to collect any agricultural
25 quarantine inspection user fee; and

1 (B) administer any reserve account for the
2 fees.

3 (5) CAREER TRACK PROGRAM.—

4 (A) IN GENERAL.—The Administrator
5 shall establish a program, to be known as the
6 “import and entry agriculture inspector career
7 track program”, to support the development of
8 long-term career professionals with expertise in
9 import and entry agriculture inspection.

10 (B) STRATEGIC PLAN AND TRAINING.—In
11 carrying out the program under this paragraph,
12 the Administrator, in coordination with the Sec-
13 retary of Agriculture, shall—

14 (i) develop a strategic plan to incor-
15 porate import and entry agricultural in-
16 spectors into the infrastructure protecting
17 food, fiber, forests, bioenergy, and the en-
18 vironment of the United States from ani-
19 mal and plant pests, diseases, and noxious
20 weeds; and

21 (ii) as part of the plan under clause
22 (i), provide training for import and entry
23 agricultural inspectors participating in the
24 program not less frequently than once each
25 year to improve inspection skills.

1 (f) DUTIES OF SECRETARY OF AGRICULTURE.—

2 (1) OPERATING PROCEDURES AND TRACKING
3 SYSTEM.—The Secretary of Agriculture shall—

4 (A) develop standard operating procedures
5 for inspection, monitoring, and auditing relating
6 to import and entry agricultural inspections, in
7 accordance with recommendations from the
8 Comptroller General of the United States and
9 reports of interagency advisory groups, as appli-
10 cable; and

11 (B) ensure that the Animal and Plant
12 Health Inspection Service has a national elec-
13 tronic system with real-time tracking capability
14 for monitoring, tracking, and reporting inspec-
15 tion activities of the Service.

16 (2) FEDERAL AND STATE COOPERATION.—

17 (A) COMMUNICATION SYSTEM.—The Sec-
18 retary of Agriculture shall develop and maintain
19 an integrated, real-time communication system
20 with respect to import and entry agricultural
21 inspections to alert State departments of agri-
22 culture of significant inspection findings of the
23 Animal and Plant Health Inspection Service.

24 (3) FUNDING.—The Secretary of Agriculture
25 shall pay the costs of each import and entry agricul-

1 tural inspector employed by the Animal and Plant
2 Health Inspection Service from amounts made avail-
3 able to the Department of Agriculture for the appli-
4 cable fiscal year.

5 (g) REPORT.—Not later than one year after the date
6 of the enactment of this Act, and at least annually there-
7 after, the Secretary shall submit to Congress a report con-
8 taining an assessment of—

9 (1) the resource needs for import and entry ag-
10 ricultural inspection, including the number of inspec-
11 tors required;

12 (2) the adequacy of—

13 (A) inspection and monitoring procedures
14 and facilities in the United States; and

15 (B) the strategic plan developed under sub-
16 section (e)(5)(B)(i); and

17 (3) new and potential technologies and prac-
18 tices, including recommendations regarding the tech-
19 nologies and practices, to improve import and entry
20 agricultural inspection.

21 (h) EFFECTIVE DATE.—The amendments made by
22 this section take effect on the date that is 180 days after
23 the date of enactment of this Act.

6. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Boustany OF Louisiana, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

94

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. BOUSTANY OF LOUISIANA**

(Page and line numbers correspond to GPO's print of the
reported bill)

At the end of subtitle A of title XI, add the following new section:

1 SEC. 11013. DETERMINATION OF CERTAIN SWEET POTATO

2 PRODUCTION.

3 In the case of sweet potatoes, Risk Management
4 Agency Pilot Program data shall not be considered for
5 purposes of determining production for the 2005–2006
6 Farm Service Agency Crop Disaster Program.

7. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Jackson-Lee OF Texas, OR Her
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MS. JACKSON-LEE OF TEXAS**

At an appropriate place in title IV, insert the following (and make such technical and conforming changes as may be appropriate):

1 SEC. ____ SENSE OF THE CONGRESS.

2 It is the sense of the Congress that food items pro-
3 vided pursuant to the Federal school breakfast and school
4 lunch program should be selected so as to reduce the inci-
5 dence of juvenile obesity and to maximize nutritional
6 value.

8. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Hastings OF Florida, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. HASTINGS OF FLORIDA**

At the end of title XI add the following new section:

1 **SEC. ____ . POLLINATOR PROTECTION.**

2 (a) **SHORT TITLE.**—This section may be cited as the
3 “Pollinator Protection Act of 2007”.

4 (b) **FINDINGS.**—Congress finds that—

5 (1) many of the crops that humans and live-
6 stock consume rely on pollinators for healthy
7 growth;

8 (2) pollination by honey and native bees adds
9 more than \$18,000,000,000 annually to the value of
10 United States crops;

11 (3) $\frac{1}{3}$ of the food supply of the United States
12 depends on bee pollination, which makes the man-
13 agement and protection of pollinators an issue of
14 paramount importance to the security of the United
15 States food supply system;

16 (4) colony collapse disorder is the name that
17 has been given to the latest die-off of honey bee colo-
18 nies, exacerbating the continual decline of pollinators
19 in North America;

1 (5) honey bee colonies in more than 23 states
2 have been affected by colony collapse disorder;

3 (6) if the current rate of decline continues, the
4 United States will be forced to rely more heavily on
5 imported foods, which will destabilize the food secu-
6 rity of the United States through adverse affects on
7 the availability, price, and quality of the many fruits,
8 vegetables, and other products that depend on ani-
9 mal pollination; and

10 (7) enhanced funding for research on honey
11 bees, native bees, parasites, pathogens, toxins, and
12 other environmental factors affecting bees and polli-
13 nation of cultivated and wild plants will result in
14 methods of response to colony collapse disorder and
15 other factors causing the decline of pollinators in
16 North America.

17 (c) AUTHORIZATIONS OF APPROPRIATIONS.—

18 (1) AGRICULTURAL RESEARCH SERVICE.—

19 There is authorized to be appropriated to the Sec-
20 retary of Agriculture, acting through the Agricul-
21 tural Research Service—

22 (A) \$3,000,000 for each of fiscal years
23 2008 through 2012, to be used for new per-
24 sonnel, facilities improvement, and additional

1 research at Department of Agriculture Bee Re-
2 search Laboratories;

3 (B) \$2,500,000 for each of fiscal years
4 2008 and 2009, to be used for research on
5 honey and native bee physiology, insect pathol-
6 ogy, insect chemical ecology, and honey and na-
7 tive bee toxicology at other Department of Agri-
8 culture facilities in New York, Florida, Cali-
9 fornia, Utah, and Texas; and

10 (C) \$1,750,000 for each of fiscal years
11 2008 through 2010, to be used for an area-wide
12 research program to identify causes and solu-
13 tions for colony collapse disorder in affected
14 States.

15 (2) COOPERATIVE STATE RESEARCH, EDU-
16 CATION, AND EXTENSION SERVICE.—There is au-
17 thorized to be appropriated to the Secretary of Agri-
18 culture, acting through the Cooperative State Re-
19 search, Education, and Extension Service,
20 \$10,000,000 for each of fiscal years 2008 through
21 2012 to be used to fund Department of Agriculture
22 extension and research grants to investigate—

23 (A) honey bee biology, immunology, and
24 ecology;

25 (B) honey bee genomics;

- 1 (C) honey bee bioinformatics;
2 (D) native bee crop pollination and habitat
3 conservation;
4 (E) native bee taxonomy and ecology;
5 (F) pollination biology;
6 (G) sublethal effects of insecticides, herbi-
7 cides, and fungicides on honey bees, native pol-
8 linators, and other beneficial insects;
9 (H) the effects of genetically-modified
10 crops, including the interaction of genetically-
11 modified crops with honey bees and other native
12 pollinators; and
13 (I) honey, bumble, and other native bee
14 parasites and pathogens and effects on other
15 native pollinators.

16 (3) ANIMAL AND PLANT HEALTH INSPECTION
17 SERVICE.—There is authorized to be appropriated to
18 the Secretary of Agriculture, acting through the Ani-
19 mal and Plant Health Inspection Service,
20 \$2,250,000 for each of fiscal years 2008 through
21 2012 to conduct a nationwide honey bee pest and
22 pathogen surveillance program.

23 (d) ANNUAL REPORTS.—The Secretary of Agri-
24 culture, acting through the Agricultural Research Service
25 and the Cooperative State Research, Education, and Ex-

1 tension Service, shall submit to the Committee on Agri-
2 culture of the House of Representatives and the Com-
3 mittee on Agriculture, Nutrition, and Forestry of the Sen-
4 ate a report on the status and progress of bee research
5 projects that are carried out by the Secretary.

6 (e) GIVING POLLINATOR HABITAT AND PROTECTION
7 A PRIORITY IN CONSERVATION PROGRAMS.—Section
8 1244 of the Food Security Act of 1985 (16 U.S.C. 3844)
9 is amended by adding at the end the following new sub-
10 section:

11 “(c) NATIVE AND MANAGED POLLINATORS.—In car-
12 rying out any conservation program administered by the
13 Secretary, except the farmland protection program, the
14 Secretary shall establish a priority and provide incentives
15 for—

16 “(1) increasing habitat for native and managed
17 pollinators, especially native habitat; and

18 “(2) establishing cropping systems, integrated
19 pest management regimes, and other practices to
20 protect native and managed pollinators.”.

9. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Arcuri OF New York, OR H is
DESIGNEE, DEBATABLE FOR ____ MINUTES:

21

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. ARCURI OF NEW YORK**

At the end of subtitle D of title I, add the following
new section:

1 **SEC. 2410. ADJUSTMENT OF CLASS I MILK PRICE MOVER TO**
2 **REFLECT ENERGY AND ANIMAL FEED COST**
3 **INCREASES.**

4 It is the sense of Congress that the Secretary of Agri-
5 culture should use existing authority when determining
6 the Class I milk price mover to take into account the in-
7 creased cost of production, including energy and feed.

10. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Welch OF Vermont, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

Revised # 53

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. WELCH OF VERMONT**

Section 4303 is further amended by striking paragraph (2) and inserting the following:

- 1 (2) in paragraph (3)(A)—
- 2 (A) in the matter preceding clause (i) by
- 3 striking “paragraph (1)(B)” and inserting
- 4 “paragraph (1)”;
- 5 (B) in clause (iii) by striking “and” at the
- 6 end;
- 7 (C) in clause (iv) by striking the period at
- 8 the end and inserting “; and”; and
- 9 (D) by adding at the end the following:
- 10 “(v) encourage plans for implementa-
- 11 tion that include locally grown foods, where
- 12 geographically available, in accordance
- 13 with section 9(j).”.

11. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Welch OF Vermont, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. WELCH OF VERMONT**

Mr. Arcuri of
New York

In section 1409(b), insert after paragraph (6) the following new paragraph (and redesignate subsequent paragraphs):

- 1 (7) evaluating cost of production variables, in-
- 2 cluding cost of feed and cost of fuel;

In section 1409(c)(3)(D), insert before the period at the end the following: “, including the Northeast, Southeast, Midwest, and Western regions of the country”.

In section 1409(d), strike “Not later than two years after the date of the first meeting of the commission,” and insert “Not later than 18 months after the date of the enactment of this Act,”.

12.

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Rangel OF New York, OR HIS
DESIGNÉE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. RANGEL OF NEW YORK**

At the appropriate place in the bill, insert the following new sections:

1 **SEC. ____ . CLARIFICATION OF PAYMENT TERMS UNDER THE**
2 **TRADE SANCTIONS REFORM AND EXPORT EN-**
3 **HANCEMENT ACT OF 2000.**

4 Section 908(b)(4) of the Trade Sanctions Reform and
5 Export Enhancement Act of 2000 (22 U.S.C. 7207(b)(4))
6 is amended—

7 (1) in subparagraph (B), by striking “and” at
8 the end;

9 (2) in subparagraph (C), by striking the period
10 at the end and inserting “; and”; and

11 (3) by adding at the end the following:

12 “(D) the term ‘payment of cash in ad-
13 vance’ means, notwithstanding any other provi-
14 sion of law, the payment by the purchaser of an
15 agricultural commodity or product and the re-
16 ceipt of such payment by the seller prior to—

17 “(i) the transfer of title of such com-
18 modity or product to the purchaser; and

1 “(ii) the release of control of such
2 commodity or product to the purchaser.”.

3 **SEC. ____ . AUTHORIZATION OF DIRECT TRANSFERS BE-**
4 **TWEEN CUBAN AND UNITED STATES FINAN-**
5 **CIAL INSTITUTIONS UNDER THE TRADE**
6 **SANCTIONS REFORM AND EXPORT ENHANCE-**
7 **MENT ACT OF 2000.**

8 (a) IN GENERAL.—Notwithstanding any other provi-
9 sion of law, the President may not restrict direct transfers
10 from a Cuban depository institution to a United States
11 depository institution executed in payment for a product
12 authorized for sale under the Trade Sanctions Reform and
13 Export Enhancement Act of 2000 (22 U.S.C. 7201 et
14 seq.).

15 (b) DEPOSITORY INSTITUTION DEFINED.—In this
16 section, the term “depository institution” means any enti-
17 ty that is engaged primarily in the business of banking
18 (including a bank, savings bank, savings association, cred-
19 it union, trust company, or bank holding company).

20 **SEC. ____ . ISSUANCE OF VISAS TO CONDUCT ACTIVITIES IN**
21 **ACCORDANCE WITH THE TRADE SANCTIONS**
22 **REFORM AND EXPORT ENHANCEMENT ACT**
23 **OF 2000.**

24 Notwithstanding any other provision of law, in the
25 case of a Cuban national whose itinerary documents an

1 intent to conduct activities, including phytosanitary in-
2 spections, related to purchasing United States agricultural
3 goods under the provisions of the Trade Sanctions Reform
4 and Export Enhancement Act of 2000, a consular officer
5 (as defined in section 101(a)(9) of the Immigration and
6 Nationality Act (8 U.S.C. 1101(a)(9))) may issue a non-
7 immigrant visa under section 101(a)(15)(B) of such Act
8 (8 U.S.C. 1101(a)(15)(B)) to the national, if the national
9 is not inadmissible to the United States under section 212
10 of such Act (8 U.S.C. 1182).

13. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Boehner OF Ohio, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:.

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. BOEHNER OF OHIO**

In section 1204, add at the end the following new subsection:

1 (i) RATE ADJUSTMENTS; DATE FOR DETERMINING
2 REPAYMENT RATE.—

3 (1) NO MORE THAN MONTHLY RATE ADJUST-
4 MENTS.—Repayment rates established under this
5 section shall be adjusted by the Secretary no more
6 than once every month for all loan commodities.

7 (2) DATE FOR DETERMINING REPAYMENT
8 RATE.—With respect to the monthly repayment
9 rates established under this section, the rate shall
10 be—

11 (A) in the case of a producer who, as de-
12 termined by the Secretary, loses beneficial in-
13 terest immediately upon repayment of the loan,
14 the monthly repayment rate that is in effect on
15 the date beneficial interest is lost; and

16 (B) in the case of other producers who did
17 not lose beneficial interest upon repayment of
18 the loan, the repayment rate in effect on the
19 earlier of—

- 1 (i) the month in which the loan ma-
2 tures; or
3 (ii) the last month of the marketing
4 year established by the Secretary for the
5 commodity.

In section 1205(e), add at the end the following new sentence: “However, the producers must have beneficial interest in the commodity for which a payment is requested under this section as of the date on which the producers request the payment.”.

14

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Bernice-Johnson OF Texas, OR Her
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MS. EDDIE BERNICE JOHNSON OF
TEXAS**

At the end of subtitle B of title VII, insert the following:

1 SEC. 7234. EMPHASIS OF HUMAN NUTRITION INITIATIVE.

2 Section 1424(b) of the National Agricultural Re-
3 search, Extension, and Teaching Policy Act of 1977 (7
4 U.S.C. 3174(b)) is amended—

5 (1) in paragraph (1), by striking “and,”;

6 (2) in paragraph (2), by striking the comma
7 and inserting “; and”; and

8 (3) by adding at the end the following:

9 “(3) proposals that examine the efficacy of cur-
10 rent agriculture policies in promoting the health and
11 welfare of economically disadvantaged populations,”.

15. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Manzullo OF Illinois, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

50
Rev

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. MANZULLO OF ILLINOIS**

Strike subsection (a) of section 1246 of the Food
Security Act of 1985, as added by section 2409(a) of the
bill, and insert the following:

1 “(a) PAYMENTS FOR CONSERVATION PRACTICES.—
2 The total amount of payments that a person or a legal
3 entity (except a joint venture or a general partnership)
4 may receive, directly or indirectly, in any fiscal year shall
5 not exceed—

6 “(1) \$60,000 from any single program under
7 this title (other than the environmental quality in-
8 centives program) or as agricultural management as-
9 sistance under section 524(b) of the Federal Crop
10 Insurance Act (7 U.S.C. 524(b));

11 “(2) \$125,000 from more than one program
12 under this title (other than the environmental qual-
13 ity incentives program) or as agricultural manage-
14 ment assistance under section 524(b) of the Federal
15 Crop Insurance Act; or

16 “(3) \$450,000 from the environmental quality
17 incentives program.

16. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Blumenauer OF Oregon, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. BLUMENAUER OF OREGON**

In section 1238I of the Food Security Act of 1985, as amended by section 2110, insert at the end of subsection (b) the following new sentence: "Grants may also be made for purchase of conservation easements or other interests in land pursuant to a transferable development rights program in which the entity acquiring the interests sells them for development in an urban area consistent with local land use plans, but grant funds may not be used to reduce the cost of development rights."

17. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Latham OF Iowa, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

83

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. LATHAM OF IOWA**

In section 6008—

(1) insert “(a) AUTHORIZATION OF APPROPRIATIONS.—” before “Section”; and

(2) add at the end the following:

1 (b) ADDITIONAL PRIORITY IN AWARDING
2 GRANTS.—Section 306E(c) of such Act (7 U.S.C.
3 1926e(c)) is amended by inserting “, and to an ap-
4 plicant that has substantial expertise and experience
5 in promoting the safe and productive use of individ-
6 ually-owned household water well systems and
7 ground water. The ability of an applicant to provide
8 matching funds shall not be taken into account in
9 determining any priority in awarding grants under
10 this section. The payment by a grantee of audit fees,
11 business insurance, salary, wages, employee benefits,
12 printing costs, postage costs, and legal fees associ-
13 ated with providing the assistance described in para-
14 graph (1) shall be considered the provision of match-
15 ing funds by the grantee for purposes of this sec-
16 tion” before the period.

18. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Berry OF Arkansas, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. BERRY OF ARKANSAS**

At the end of title II, add the following new section:

1 **SEC. 25____. PROHIBITION ON CERTAIN NONPROFIT ORGA-**
2 **NIZATIONS RECEIVING GOVERNMENT CON-**
3 **SERVATION PAYMENTS.**

4 A non-profit organization with more than
5 \$50,000,000 in direct public support (as listed on IRS
6 form 990) may not receive any Government conservation
7 payments under title XII of the Food Security Act Of
8 1985, this Act, or any other conservation program of the
9 Department of Agriculture.

19. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Davis OF Illinois, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. DAVIS OF ILLINOIS, MR. KIRK
OF ILLINOIS, MR. MEEKS OF NEW YORK, AND
MR. EMANUEL OF ILLINOIS**

Strike the three sections in subtitle C of title I, and
insert the following new sections:

1 SEC. 1301. SUGAR PROGRAM.

2 (a) **FORFEITURE PENALTY.**—Section 156(g) of the
3 Federal Agriculture Improvement and Reform Act of 1996
4 (7 U.S.C. 7272(g)) is amended by adding at the end the
5 following new paragraph:

6 “(3) **FORFEITURE PENALTY.**—The Secretary
7 shall assess a penalty on the forfeiture of sugar
8 pledged as collateral for a nonrecourse loan under
9 this section. The penalty shall be 1 cent per pound
10 for raw cane sugar and an equivalent amount, as de-
11 termined by the Secretary, for refined beet sugar.”.

12 (b) **EFFECTIVE PERIOD.**—Section 156(j) of the Fed-
13 eral Agriculture Improvement and Reform Act of 1996 (7
14 U.S.C. 7272(j)) is amended by striking “2007” and in-
15 serting “2012”.

1 **SEC. 1302. FLEXIBLE MARKETING ALLOTMENTS FOR**
2 **SUGAR.**

3 Section 359b(a)(1) of the Agricultural Adjustment
4 Act of 1938 (7 U.S.C. 1359bb(a)(1)) is amended in the
5 matter preceding subparagraph (A) by striking “2007”
6 and inserting “2012”.

Strike section 9013.

20.

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Terry OF Nebraska, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. TERRY OF NEBRASKA**

At the end of title IX, add the following new section:

1 **SEC. ____ . SUPPLEMENTING CORN AS AN ETHANOL FEED-**
2 **STOCK.**

3 (a) **RESEARCH AND DEVELOPMENT PROGRAM.**—The
4 Secretary of Agriculture shall establish a program to make
5 grants of not to exceed \$1,000,000 each to no more than
6 10 universities for a 3-year program of demonstration of
7 supplementing corn as an ethanol feedstock with sweet
8 sorghum.

9 (b) **PROGRAM GOALS.**—The goals of the program
10 under this section shall be to—

11 (1) enhance agronomic efficiency of the crop on
12 marginal lands by—

13 (A) developing best management practices
14 for maintaining high sorghum yields while using
15 less water and nitrogen than corn;

16 (B) identifying and selecting plants with a
17 high sugar content; and

18 (C) developing cold-tolerant sweet sorghum
19 varieties to enable two crops to be grown per
20 season;

1 (2) enhance ethanol processing potential in the
2 crop by—

3 (A) developing a robust technology for cen-
4 tralized ethanol production facilities that pair
5 high-performing sweet sorghum lines with dif-
6 ferent yeasts to produce the best process for
7 converting sweet sorghum juice into ethanol;

8 (B) conducting process and chemical anal-
9 yses of sweet sorghum sap fermentation;

10 (C) introducing cellulosic hydrolyzing en-
11 zymes into sweet sorghum to promote biomass
12 conversion; and

13 (D) performing life-cycle analysis of sweet
14 sorghum ethanol, including analysis of energy
15 yield, efficiency, and greenhouse gas reduction;

16 (3) establish a sweet sorghum production sys-
17 tem optimized for the region of the university con-
18 ducting the research;

19 (4) improve sweet sorghum lines with higher
20 sugar production and performance with minimal ag-
21 ricultural inputs;

22 (5) optimize sugar fermentation using selected
23 yeast strains;

24 (6) develop sweet sorghum lines with improved
25 cold tolerance and cellulosic degradation; and

1 (7) develop agricultural models for predicting
2 agricultural performance and ethanol yield under
3 various growing conditions.

4 (c) AWARD CRITERIA.—The Secretary shall award
5 grants under this section only to universities that—

6 (1) have access to multiple lines of sweet sor-
7 ghum for research; and

8 (2) are located in a State where sweet sorghum
9 is anticipated to grow well on marginal lands.

10 (d) AUTHORIZATION OF APPROPRIATIONS.—There
11 are authorized to be appropriated to the Secretary for car-
12 rying out this section \$10,000,000.

21. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
W. D. Hall OF Colorado, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. UDALL OF COLORADO**

In section 1102(b)(6), strike “\$0.0667” and insert
“\$0.06”.

In section 2104 strike subsection (b) and insert the
following new subsection:

1 (b) ENROLLMENT OF ACREAGE.—Subsection (b)(1)
2 of section 1238N of the Food Security Act of 1985 (16
3 U.S.C. 3838n(1)) is amended by striking “2,000,000
4 acres” and inserting “2,224,000 acres”.

In section 2401, insert after subsection (c) the fol-
lowing new subsection (and redesignate subsequent sub-
sections accordingly):

5 (d) GRASSLAND RESERVE PROGRAM.—Section
6 1241(a) of the Food Security Act of 1985 (16 U.S.C.
7 3841(a)) is amended by striking paragraph (5) and insert-
8 ing the following new paragraph:

9 “(5) For each of fiscal years 2008 through
10 2012, the grassland reserve program under sub-
11 chapter C of chapter 2.”.

22

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Wu OF Oregon, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. WU OF OREGON**

Page 603, line 18, insert after “economies” the following: “or universities with fields of study capable of developing renewable energy technology or policy”.

Page 604, line 7, insert after “economy” the following: “, or at a university with fields of study capable of developing renewable energy technology or policy (including agriculture-related studies, chemistry, environmental sciences, bioengineering, biochemistry, natural resources, and public policy),”.

23.

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Clay OF Missouri, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. CLAY OF MISSOURI**

In subtitle B of title X, insert after section 10103 the following new section 10103A (and amend the tables of content accordingly):

1 **SEC. 10103A ADDITIONAL SECTION 32 FUNDS TO PROVIDE**
2 **GRANTS FOR THE PURCHASE AND OPER-**
3 **ATION OF URBAN GARDENS GROWING OR-**
4 **GANIC FRUITS AND VEGETABLES FOR THE**
5 **LOCAL POPULATION.**

6 (a) GRANTS.—The Secretary of Agriculture may
7 make grants to eligible entities to assist in purchasing and
8 operating organic gardens or greenhouses in urban areas
9 for growing fruits and vegetables. In making such grants,
10 the Secretary will ensure such fruits and vegetables are
11 sold to local grocery stores.

12 (b) LIMITATIONS.—Grants provided to any eligible
13 entity under this section may not exceed \$25,000 for any
14 given year.

15 (c) ELIGIBLE ENTITIES.—

16 (1) INDIVIDUALS.—An individual shall be eligi-
17 ble to receive a grant under subsection (a) if the in-
18 dividual is a resident of the neighborhood in which

1 the urban garden or greenhouse is located, or will be
2 located.

3 (2) COOPERATIVES.—A cooperative shall be eli-
4 gible to receive a grant under subsection (a) if every
5 individual member or owner of the cooperative is a
6 resident of the neighborhood in which the urban gar-
7 den or greenhouse is located, or will be located.

8 (d) SELECTION OF ELIGIBLE ENTITIES.—The Sec-
9 retary shall develop criteria for the selection of eligible en-
10 tities to receive grants under this section.

11 (e) FUNDING.—The Secretary shall award such
12 grants using, of the funds made available under section
13 32 of the Act of August 24, 1935 (7 U.S.C. 612c),
14 \$20,000,000 in fiscal year 2008 and each fiscal year
15 thereafter.

24

. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Israel OF New York, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

Doyle-Israel Amendment #84
(Revised)

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. ISRAEL OF NEW YORK**

At the end of title XI add the following new sections:

1 **SEC. ____ . PROHIBITION ON USE OF LIVE ANIMALS FOR**
2 **MARKETING MEDICAL DEVICES; FINES**
3 **UNDER THE ANIMAL WELFARE ACT.**

4 (a) PROHIBITION ON USE OF ANIMALS FOR MAR-
5 KETING OF MEDICAL DEVICES.—The Animal Welfare Act
6 (7 U.S.C. 2131 et seq.) is amended by inserting after sec-
7 tion 17 the following new section:

8 “PROHIBITION ON USE OF LIVE ANIMALS FOR
9 MARKETING MEDICAL DEVICES

10 “SEC. 18. (a) IN GENERAL.—No person may use a
11 live animal to—

12 “(1) demonstrate a medical device or product to a
13 sales representative for the purpose of marketing such
14 medical device or product;

15 “(2) train a sales representative to use a medical de-
16 vice or product;

17 “(3) demonstrate a medical device or product in a
18 workshop or training session for the purpose of marketing
19 a medical device or product; or

1 “(4) create a multimedia recording (including a video
2 recording) for the purpose of marketing a medical device
3 or product.

4 “(b) EXCEPTION.—Subsection (a) shall not apply to
5 the training of medical personnel for a purpose other than
6 marketing a medical device or product.

7 “(c) DEVICE DEFINED.—In this section, the term
8 ‘device’ has the meaning given the term in section 201(h)
9 of the Federal Food, Drug, and Cosmetic Act (21 U.S.C.
10 321(h)).”.

11 (b) FINES FOR VIOLATIONS OF THE ANIMAL WEL-
12 FARE ACT.—Section 19(b) of the Animal Welfare Act (7
13 U.S.C. 2149(b)) is amended—

14 (1) in the first sentence by striking “not more
15 than \$2,500 for each such violation” and inserting
16 “not more than \$10,000 for each such violation”;
17 and

18 (2) by striking the second sentence and insert-
19 ing the following: “Each violation, each day during
20 which a violation continues, and, in the case of a vio-
21 lation with respect to animals, each animal that is
22 the subject of such a violation shall be a separate of-
23 fense.”.

24 (c) REPORTS ON ACTIVITIES UNDER THE ANIMAL
25 WELFARE ACT.—The Animal Welfare Act (7 U.S.C. 2131

1 et seq.) is further amended by striking section 25 and in-
2 serting the following new section:

3 "ANNUAL REPORT

4 "SEC. 25. Not later than March 1 of each year, the
5 Secretary shall submit to Congress a report containing—

6 "(1) an identification of all research facilities,
7 exhibitors, and other persons and establishments li-
8 censed by the Secretary under section 3 and section
9 12;

10 "(2) an identification of all research facilities,
11 intermediate handlers, carriers, and exhibitors reg-
12 istered under section 6;

13 "(3) the nature and place of all investigations
14 and inspections conducted by the Secretary under
15 section 16, and all reports received by the Secretary
16 under section 13;

17 "(4) recommendations for legislation to improve
18 the administration of this Act or any provisions of
19 this Act; and

20 "(5) recommendations and conclusions con-
21 cerning the aircraft environment as it relates to the
22 carriage of live animals in air transportation.”.

23 **SEC. ____ . PROTECTION OF PETS.**

24 (a) **SHORT TITLE.**—This section may be cited as the
25 “Pet Safety and Protection Act of 2007”.

1 (b) RESEARCH FACILITIES.—Section 7 of the Animal
2 Welfare Act (7 U.S.C. 2137) is amended to read as fol-
3 lows:

4 **“SEC. 7. SOURCES OF DOGS AND CATS FOR RESEARCH FA-**
5 **CILITIES.**

6 “(a) DEFINITION OF PERSON.—In this section, the
7 term ‘person’ means any individual, partnership, firm,
8 joint stock company, corporation, association, trust, es-
9 tate, pound, shelter, or other legal entity.

10 “(b) USE OF DOGS AND CATS.—No research facility
11 or Federal research facility may use a dog or cat for re-
12 search or educational purposes if the dog or cat was ob-
13 tained from a person other than a person described in sub-
14 section (d).

15 “(c) SELLING, DONATING, OR OFFERING DOGS AND
16 CATS.—No person, other than a person described in sub-
17 section (d), may sell, donate, or offer a dog or cat to any
18 research facility or Federal research facility.

19 “(d) PERMISSIBLE SOURCES.—A person from whom
20 a research facility or a Federal research facility may ob-
21 tain a dog or cat for research or educational purposes
22 under subsection (b), and a person who may sell, donate,
23 or offer a dog or cat to a research facility or a Federal
24 research facility under subsection (c), shall be—

1 “(1) a dealer licensed under section 3 that has
2 bred and raised the dog or cat;

3 “(2) a publicly owned and operated pound or
4 shelter that—

5 “(A) is registered with the Secretary;

6 “(B) is in compliance with section 28(a)(1)
7 and with the requirements for dealers in sub-
8 sections (b) and (c) of section 28; and

9 “(C) obtained the dog or cat from its legal
10 owner, other than a pound or shelter;

11 “(3) a person that is donating the dog or cat
12 and that—

13 “(A) bred and raised the dog or cat; or

14 “(B) owned the dog or cat for not less
15 than 1 year immediately preceding the dona-
16 tion;

17 “(4) a research facility licensed by the Sec-
18 retary; and

19 “(5) a Federal research facility licensed by the
20 Secretary.

21 “(e) PENALTIES.—

22 “(1) IN GENERAL.—A person that violates this
23 section shall be fined \$1,000 for each violation.

1 “(2) **ADDITIONAL PENALTY.**—A penalty under
2 this subsection shall be in addition to any other ap-
3 plicable penalty.

4 “(f) **NO REQUIRED SALE OR DONATION.**—Nothing
5 in this section requires a pound or shelter to sell, donate,
6 or offer a dog or cat to a research facility or Federal re-
7 search facility.”.

8 (c) **FEDERAL RESEARCH FACILITIES.**—Section 8 of
9 the Animal Welfare Act (7 U.S.C. 2138) is amended—
10 (1) by striking “Sec. 8. No department” and
11 inserting the following:

12 **“SEC. 8. FEDERAL RESEARCH FACILITIES.**

13 “Except as provided in section 7, no department”;

14 (2) by striking “research or experimentation
15 or”; and

16 (3) by striking “such purposes” and inserting
17 “that purpose”.

18 (d) **CERTIFICATION.**—Section 28(b)(1) of the Animal
19 Welfare Act (7 U.S.C. 2158(b)(1)) is amended by striking
20 “individual or entity” and inserting “research facility or
21 Federal research facility”.

22 (e) **EFFECTIVE DATE.**—The amendments made by
23 subsections (b), (c), and (d) take effect on the date that
24 is 90 days after the date of the enactment of this Act.

25

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Putnam OF Florida, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

AMENDMENT TO H.R. 2419
OFFERED BY MR. PUTNAM OF FLORIDA

At the appropriate place in the conservation title,
add the following new section:

1 **SEC. 2__.** **ADJUSTED GROSS INCOME LIMITATION RE-**
2 **GARDING PAYMENTS UNDER CONSERVATION**
3 **PROGRAMS.**

4 Section 1001D(b)(1) of the Food Security Act of
5 1985 (7 U.S.C. 1308–3a(b)(1)), as amended by section
6 1504 [and the manager’s amendment, pages 34 and 35],
7 is further amended by adding at the end the following new
8 subparagraph:

9 “(C) **SPECIAL RULE FOR CONSERVATION**
10 **PROGRAMS.**—Notwithstanding subparagraphs
11 (A) and (B), in the case of covered benefits de-
12 scribed in paragraph (2)(C), an individual or
13 entity shall not be eligible to receive any benefit
14 described in such paragraph (2) during a crop
15 year if the average adjusted gross income of the
16 individual or entity exceeds \$1,000,000, unless
17 not less than 75 percent of the average adjusted
18 gross income of the individual or entity is de-

- 1 rived from farming, ranching, or forestry oper-
- 2 ations, as determined by the Secretary.”.

26

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Bordallo OF Guam, OR Her
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MS. BORDALLO OF GUAM**

After section 7233, insert the following new section
(and conform the table of contents accordingly):

1 **SEC. 7234. GRANTS TO UPGRADE AGRICULTURE AND FOOD**
2 **SCIENCES FACILITIES AT INSULAR AREA**
3 **LAND-GRANT INSTITUTIONS.**

4 The National Agricultural Research, Extension, and
5 Teaching Policy Act of 1977 (7 U.S.C. 3101 et seq.) is
6 amended by inserting after section 1447A the following:

7 **"SEC. 1447B. GRANTS TO UPGRADE AGRICULTURE AND**
8 **FOOD SCIENCES FACILITIES AND EQUIP-**
9 **MENT AT INSULAR AREA LAND-GRANT INSTI-**
10 **TUTIONS.**

11 "(a) PURPOSE.—It is declared to be the intent of
12 Congress to assist the land grant institutions in the insu-
13 lar areas in efforts to acquire, alter, or repair facilities
14 or relevant equipment necessary for conducting agricul-
15 tural research.

16 "(b) AUTHORIZATION OF APPROPRIATIONS.—There
17 are authorized to be appropriated for the purposes of car-
18 rying out the provisions of this section \$8,000,000 for
19 each of fiscal years 2008 through 2012.

1 “(c) METHOD OF AWARDING GRANTS.—Grants
2 awarded pursuant to this section shall be made in such
3 amounts and under such terms and conditions as the Sec-
4 retary shall determine necessary for carrying out the pur-
5 poses of this section.

6 “(d) REGULATIONS.—The Secretary may promulgate
7 such rules and regulations as the Secretary may consider
8 necessary to carry out the provisions of this section.”.

27.

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Cooper OF Tennessee, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. COOPER OF TENNESSEE**

At the end of the bill, insert the following new title:

1 **TITLE XII—CROP INSURANCE**

2 **SEC. 1201. CONTROLLING CROP INSURANCE PROGRAM**
3 **COSTS.**

4 (a) **ADMINISTRATIVE FEE FOR CATASTROPHIC RISK**
5 **PROTECTION.**—Section 508(b)(5) of the Federal Crop In-
6 surance Act (7 U.S.C. 1508(b)(5)) is amended by striking
7 subparagraph (A) and inserting the following:

8 “(A) **BASIC FEE.**—

9 “(i) **IN GENERAL.**—Except as pro-
10 vided in clause (ii), each producer shall pay
11 an administrative fee for catastrophic risk
12 protection in an amount which is, as deter-
13 mined by the Corporation, equal to 25 per-
14 cent of the premium amount for cata-
15 strophic risk protection established under
16 subsection (d)(2)(A) per crop per county.

17 “(ii) **MAXIMUM AMOUNT.**—The total
18 amount of administrative fees for cata-
19 strophic risk protection payable by a pro-

1 ducer under clause (i) shall not exceed
2 \$5,000 for all crops in all counties.”.

3 (b) PAYMENT OF PORTION OF PREMIUM BY COR-
4 PORATION.—Section 508(e)(2) of the Federal Crop Insur-
5 ance Act (7 U.S.C. 1508(e)(2)) is amended—

6 (1) in subparagraph (B)(i), by striking “67 per-
7 cent” and inserting “62 percent”;

8 (2) in subparagraph (C)(i), by striking “64 per-
9 cent” and inserting “59 percent”;

10 (3) in subparagraph (D)(i), by striking “59 per-
11 cent” and inserting “54 percent”;

12 (4) in subparagraph (E)(i), by striking “55 per-
13 cent” and inserting “53 percent”;

14 (5) in subparagraph (F)(i), by striking “48 per-
15 cent” and inserting “46 percent”; and

16 (6) in subparagraph (G)(i), by striking “38 per-
17 cent” and inserting “36 percent”.

18 (c) REDUCTION IN PORTION OF THE PREMIUM PAID
19 BY THE CORPORATION.—Section 508(e) of the Federal
20 Crop Insurance Act (7 U.S.C. 1508(k)(3)) is amended by
21 adding at the end the following:

22 “(6) PREMIUM PAYMENT INCENTIVE.—The
23 Corporation may increase payment of a part of the
24 premium from the amounts provided under sub-
25 section (e)(2) by not more than 5 percent for a pol-

1 icy or plan of insurance that is not based on indi-
2 vidual yield to provide an additional incentive to cre-
3 ate broader use of such policies.”.

4 (d) SHARE OF RISK.—Section 508(k)(3) of the Fed-
5 eral Crop Insurance Act (7 U.S.C. 1508(k)(3)) is amended
6 by striking paragraph (3) and inserting the following:

7 “(3) SHARE OF RISK.—The reinsurance agree-
8 ments of the Corporation with the reinsured compa-
9 nies shall require the reinsured companies to cede to
10 the Corporation 22 percent of its cumulative under-
11 writing gain or loss.”

12 **SEC. 1202. CROP INSURANCE PROGRAM COMPLIANCE.**

13 (a) USE OF UNUSED FUNDING TO IMPROVE PRO-
14 GRAM INTEGRITY.—Section 522(e)(3) of the Federal Crop
15 Insurance Act (7 U.S.C. 1522(e)(3)) is amended by strik-
16 ing “the Corporation may use” through the end of the
17 paragraph and inserting the following: “the Corporation
18 may use—”

19 “(A) not more than \$10,000,000 for each
20 fiscal year to improve program integrity, such
21 as

22 “(i) increasing the number of compli-
23 ance personnel;

24 “(ii) increasing compliance related
25 training;

1 “(iii) improving analysis tools and
2 technology related to compliance;

3 “(iv) identifying, utilizing, and ex-
4 panding innovative compliance strategies
5 and technology; and

6 “(v) developing and maintaining the
7 information management system developed
8 pursuant to section 10706(b) of the Farm
9 Security and Rural Investment Act of
10 2002 (7 U.S.C. 8002(b)); and

11 “(B) any excess amounts to carry out
12 other activities authorized under this section.”

13 (b) CONFORMING AMENDMENT REGARDING VIOLA-
14 TION OF HIGHLY ERODIBLE LAND CONSERVATION RE-
15 QUIREMENTS.—Section 1211(a)(1) of the Food Security
16 Act of 1985 (16 U.S.C. 3811(a)(1)) is amended—

17 (1) by striking “or” at the end of subparagraph
18 (C);

19 (2) by inserting “or” at the end of subpara-
20 graph (D); and

21 (3) by adding at the end the following new sub-
22 paragraph:

1 **SEC. 1203. REAUTHORIZATION OF, AND INCREASED EN-**
2 **ROLLMENT AUTHORITY FOR GRASSLAND RE-**
3 **SERVE PROGRAM.**

4 (a) **EXTENSION AND FUNDING.**—Section 1241(a) of
5 the Food Security Act of 1985 (16 U.S.C. 3841(a)) is
6 amended by striking paragraph (5) and inserting the fol-
7 lowing new paragraph:

8 “(5) For each of fiscal years 2002 through
9 2013, the grassland reserve program under sub
10 chapter C of chapter 2.”.

11 (b) **ENROLLMENT GOALS.**—Section 1238N(b)(1) of
12 the Food Security Act of 1985 (16 U.S.C. 3838N(b)(1))
13 is amended by striking “2,000,000 acres” and inserting
14 “5,000,000 acres”.

28

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Emanuel OF Illinois, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. EMANUEL OF ILLINOIS**

At the end of subtitle E of title I, add the following
new section:

**1 SEC. 1512. PREVENTION OF DECEASED PERSONS RECEIV-
2 ING PAYMENTS UNDER FARM COMMODITY
3 PROGRAMS.**

**4 (a) IDENTIFICATION OF ERRONEOUS PAYMENTS
5 MADE TO DECEASED PERSONS.**—The Secretary of Agri-
6 culture shall—

7 (1) undertake a study to identify any estate of
8 a deceased person that continued to receive pay-
9 ments under this title for more than two crop years
10 after the death of the person; and

11 (2) submit a report containing the results of
12 the study to Congress.

13 (b) NOTIFICATION.—The Secretary shall issue regu-
14 lations that specify deadlines by which a legal entity must
15 notify the Secretary of any change in ownership of such
16 entity, including the death of a person with a direct or
17 indirect ownership interest in the entity, that may affect
18 the entity's eligibility to receive payments or other benefits
19 under this title. The Secretary may deny the issuance of

1 such payments or benefits to an entity that fails to comply
2 with such regulations.

3 (c) RECOUPMENT.—If the Secretary determines that
4 the estate of a deceased person failed to timely notify the
5 Farm Service Agency of the death, the Secretary shall re-
6 coup the erroneous payments made on behalf of the de-
7 ceased person. The Secretary shall withhold payments that
8 would otherwise be made under this title to farming oper-
9 ations in which the deceased person was actively engaged
10 in farming before death until the funds have been re-
11 couped.

12 (d) COORDINATION.—The Secretary shall, twice a
13 year, reconcile individual tax identification numbers with
14 the Internal Revenue Service for recipients of payments
15 under this title to determine recipients' living status.

29.

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Hall OF New York, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

47

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. HALL OF NEW YORK**

At the end of subtitle C of title II, add the following
new section:

1 **SEC. 2303. MUCK SOILS CONSERVATION.**

2 (a) **ESTABLISHMENT OF PROGRAM.**—The Secretary
3 of Agriculture shall carry out a conservation program
4 under which the Secretary makes payments to assist own-
5 ers and operators of eligible land specified in subsection
6 (b) to conserve and improve the soil, water, and wildlife
7 resources of such land.

8 (b) **ELIGIBLE LAND.**—To be eligible for inclusion in
9 the program established under this section, the land
10 must—

11 (1) be comprised of soil that qualifies as muck,
12 as determined by the Secretary;

13 (2) be used for production of an agricultural
14 crop;

15 (3) have a spring cover crop planted in conjunc-
16 tion with the primary agricultural crop referred to in
17 paragraph (2);

18 (4) have a winter crop planted; and

1 (5) have ditch banks seeded with grass that is
2 maintained on a year-round basis.

3 (c) PAYMENT AMOUNTS.—The Secretary may pro-
4 vide payments of not less than \$300, but not more than
5 \$500, per acre per year under the program.

6 (d) AUTHORIZATION OF APPROPRIATIONS.—There
7 are authorized to be appropriated to the Secretary to carry
8 out the program \$50,000,000 for each of fiscal years 2008
9 through 2012.

30

____. AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Hodes OF New Hampshire, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. HODES OF NEW HAMPSHIRE**

and Mr. Arcuri of
New York

At the end of title IX add the following new section:

1 **SEC. ____ . COMMUNITY WOOD ENERGY PROGRAM.**

2 (a) **FINDINGS.**— Congress finds that—

3 (1) the United States' over-reliance on fossil
4 fuel energy has placed undue strain on the nation by
5 compromising our economy and national security;

6 (2) the United States' over-reliance on fossil
7 fuel energy has also created new strains on our nat-
8 ural systems, including carbon emissions that con-
9 tribute to climate change;

10 (3) transportation of energy, such as heating
11 oil, adds to carbon emissions associated with meet-
12 ing our community energy needs and therefore fur-
13 ther feeds climate change;

14 (4) it is in the national interest to conserve en-
15 ergy and support adoption of new local, sustainable,
16 efficient, and carbon neutral energy sources, such as
17 wood energy, for community energy needs;

18 (5) communities can save as much as 50 per-
19 cent over natural gas, 80 percent over propane, 80
20 percent over electric heat, and 50 percent over oil

1 heat by switching to wood energy for heating schools
2 and other public buildings;

3 (6) in fast growing communities of all sizes
4 across the United States, municipal and country-
5 owned forest land is playing an essential role in
6 meeting many public needs and could also be used
7 to help support sustainable forestry and local wood
8 energy applications; and

9 (7) the rapidly expanding base of private forest
10 land owners nationwide includes many individuals
11 with no experience in forest stewardship who could
12 be given technical assistance to provide locally
13 sourced wood supply through sustainable forest
14 management for local wood energy applications.

15 (b) PURPOSE.—The purpose of this section is to pro-
16 vide grants for community wood energy systems that are
17 intended to—

18 (1) meet community energy needs with reduced
19 carbon intensity versus fossil fuel systems;

20 (2) promote energy conservation and develop-
21 ment of new renewable energy sources;

22 (3) aid local budgets by reducing municipal and
23 county energy costs;

24 (4) increase utilization of low value wood sup-
25 plies and waste, thereby strengthening the forest

1 products economy for the benefit of forest workers
2 and private forest land owners; and

3 (5) increase awareness of energy conservation
4 and consumption and the multiple-use values of for-
5 ests among community members, especially young
6 people.

7 (c) GRANT PROGRAM.—The Secretary of Agriculture,
8 acting through the Forest Service, shall establish a pro-
9 gram to be known as the Community Wood Energy Pro-
10 gram to provide grants to State and local governments to
11 acquire community wood energy systems for public build-
12 ings and to implement a community wood energy plan.

13 (d) USE IN PUBLIC BUILDINGS.—A State or local
14 government receiving a grant under subsection (c) shall
15 use a community wood energy system acquired in whole
16 or in part with the use of grant funds for primary use
17 in a public facility owned by such State or local govern-
18 ment.

19 (e) LIMITATION.—A community wood energy system
20 acquired with grant funds provided under subsection (c)
21 shall not exceed an output of—

- 22 (1) 50,000,000 BTU per hour for heating; and
23 (2) 2 megawatts for electric power production.

24 (f) COMMUNITY WOOD ENERGY PLAN.—Within 18
25 months of receiving assistance under this section, commu-

1 nities shall utilize the technical assistance of the State for-
2 ester to create a community wood energy plan identifying
3 how local forests can be accessed in a sustainable manner
4 to help meet the wood supply needs of systems purchased
5 under this section.

6 (g) MATCHING FUNDS.—A State or local government
7 receiving a grant under subsection (c) shall contribute an
8 amount of non-Federal funds towards the acquisition of
9 community wood energy systems that is at least equal to
10 the amount of grant funds received by such State or local
11 government

12 (h) COMMUNITY WOOD ENERGY SYSTEM DE-
13 FINED.—The term “community wood energy system” in-
14 cludes single facility central heating, district heating, com-
15 bined heat and energy systems, and other related biomass
16 energy systems that service schools, town halls, libraries,
17 and other public buildings.

18 (i) APPROPRIATION.— There are authorized to be ap-
19 propriated such sums as may be necessary to carry out
20 this section.

31

AN AMENDMENT TO BE OFFERED BY REPRESENTATIVE
Shuler OF North Carolina, OR HIS
DESIGNEE, DEBATABLE FOR 10 MINUTES:

14

**AMENDMENT TO H.R. 2419, AS REPORTED
OFFERED BY MR. SHULER OF NORTH CAROLINA**

In section 404 of the Agricultural Credit Act of 1978, as added by section 8102, insert after subsection (c) the following new subsection (and redesignate subsequent subsections):

1 “(d) INSECT AND DISEASE THREATS.—Notwith-
2 standing subsection (c)(1), non-industrial private forest
3 lands are eligible under this section if the Secretary deter-
4 mines that the lands are under an imminent threat of loss
5 or damage by insect or disease and immediate action
6 would help to avoid the loss or damage.

110th Congress
1st Session

H. RES. _____

Providing for consideration of the bill (H.R. 2419) to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

July 26, 2007 (Legislative Day of July 25, 2007)

Mr. Cardoza, from the Committee on Rules, reported the following resolution which was referred to the House Calendar and ordered to be printed.

RESOLUTION

Providing for consideration of the bill (H.R. 2419) to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes.

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 2419) to provide for the continuation of agricultural programs through fiscal year 2012, and for other purposes. The first reading of the bill shall be dispensed with. All points of order against consideration of the bill are waived except those arising under clause 9 or 10 of rule XXI. General debate shall be confined to the bill and the amendments considered as adopted by this resolution and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture. After general debate the bill shall be considered for amendment under the five-minute rule.

Sec. 2. (a) The amendment in the nature of a substitute recommended by the Committee on Agriculture now printed in the bill, modified by the amendments printed in part A of the report of the Committee on Rules accompanying this resolution, shall be considered as adopted in the House and in the Committee of the Whole. The bill, as amended, shall be considered as the original bill for the purpose of further amendment under the five-minute rule and shall be considered as read. All points of order against provisions in the bill, as amended, are waived.

(b) Notwithstanding clause 11 of rule XVIII, no further amendment to the bill, as amended, shall be in order except those printed in part B of the report of the Committee on Rules and amendments en bloc described in section 3 of this resolution.

(c) Each further amendment printed in the report of the Committee on Rules shall be considered only in the order printed in the report, may be offered only by a Member designated in the report, shall be considered as read, shall be debatable for the time specified

in the report equally divided and controlled by the proponent and an opponent, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole.

(d) All points of order against further amendments printed in part B of the report of the Committee on Rules or amendments en bloc described in section 3 of this resolution are waived except those arising under clause 9 or 10 of rule XXI.

Sec. 3. It shall be in order at any time for the chairman of the Committee on Agriculture or his designee to offer amendments en bloc consisting of amendments printed in part B of the report of the Committee on Rules not earlier disposed of or germane modifications of any such amendments. Amendments en bloc offered pursuant to this section shall be considered as read (except that modifications shall be reported), shall be debatable for 20 minutes equally divided and controlled by the chairman and ranking minority member of the Committee on Agriculture or their designees, shall not be subject to amendment, and shall not be subject to a demand for division of the question in the House or in the Committee of the Whole. For the purpose of inclusion in such amendments en bloc, an amendment printed in the form of a motion to strike may be modified to the form of a germane perfecting amendment to the text originally proposed to be stricken. The original proponent of an amendment included in such amendments en bloc may insert a statement in the Congressional Record immediately before the disposition of the amendments en bloc.

Sec. 4. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill, as amended, to the House with such further amendments as may have been adopted. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

Sec. 5. During consideration in the House of H.R. 2419 pursuant to this resolution, notwithstanding the operation of the previous question, the Chair may postpone further consideration of the bill to such time as may be designated by the Speaker.